

CITY OF CORNING,

CALIFORNIA

**FINANCIAL STATEMENTS
TOGETHER WITH
INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED
JUNE 30, 2023**

**CITY OF CORNING
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2023**

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City Officials

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**CITY OF CORNING, CALIFORNIA
CITY OFFICIAL
FOR THE YEAR ENDED JUNE 30, 2023**

**CITY COUNCIL
(Terms as of June 30, 2023)**

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Robert Snow	Mayor	2024
Dave Demo	Vice-Mayor	2023
Jose “Chuy” Valerio	Member	2024
Lisa Lomeli	Member	2023
Shelly Hargens	Member	2024

CITY CLERK

Lisa Linnet

CITY TREASURER

Laura Calkins

CITY MANAGER AND FINANCE DIRECTOR

Brant Mesker

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FINANCIAL SECTION

Independent Auditor's Report
Management Discussion and Analysis
Basic Financial Statements
Notes to the Basic Financial Statements

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Donald R. Reynolds

Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

To The Honorable Mayor and Members of the City Council
City of Corning
Corning, California

Report on the Audit of the Financial Statements

Opinions

I have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Corning (City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Corning, California, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows, and the respective budgetary comparison for the General Fund, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the City and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

P.O. Box 994508, California 96099-4508 * (530) 246-AUDIT (2834) * FAX (530) 244-0331

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and Government Auditing Standards, I:

Exercise professional judgment and maintain professional skepticism throughout the audit;

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed;

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements; and

Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that a Management's Discussion and Analysis and the 10 year Pension and QPEB information and Budgetary Comparison Information on pages 71 through 77, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. Management has omitted the Management's Discussion and Analysis, that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although

not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated April 25, 2024 on my consideration of the City's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Corning's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City of Corning's internal control over financial reporting and compliance.



Donald R. Reynolds, Certified Public Accountant
Redding, California
April 25, 2024

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements

CITY OF CORNING
STATEMENT OF NET POSITION
June 30, 2023

Statement 1

	Primary Government		
	Governmental Activities	Business Activities	Total
<u>ASSETS</u>			
Cash and Investments (Note 3)			
Available for operations	\$ 11,656,200	\$ 3,852,129	\$ 15,508,329
Restricted	-	232,922	232,922
Receivables (net of allowance for uncollectable)			
Accounts Receivable	-	226,723	226,723
Intergovernmental Receivable	1,183,803	-	1,183,803
Interest Receivable	1,687,059	-	1,687,059
Loans Receivable (CDBG.)	4,130,637	-	4,130,637
Internal balances	-	-	-
Due To/(From) Other Funds	6,667	(6,667)	-
Lease Receivables	1,540,849	790,504	2,331,353
Capital Assets (Note 2):			
Land and construction in progress	559,391	838,088	1,397,479
Depreciable assets, net	14,491,673	9,999,364	24,491,037
Total Assets	<u>\$ 35,256,279</u>	<u>\$ 15,933,063</u>	<u>\$ 51,189,342</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Outflows Related to Pensions	3,492,000	532,000	4,024,000
Total Deferred Outflows of Resources	<u>\$ 3,492,000</u>	<u>\$ 532,000</u>	<u>\$ 4,024,000</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 252,255	\$ 169,513	\$ 421,768
Accrued Wages/Payroll Taxes	22,697	4,549	27,246
Accrued Interest Payable	1,794	90,608	92,402
Deposits	-	26,180	26,180
Accrued compensated absences:			
Due within one year	185,000	49,000	234,000
Due in more than one year	447,319	131,474	578,793
Unearned Revenue	5,755,786	-	5,755,786
Long-term debt			
Due within one year	96,430	296,000	392,430
Due in more than one year	277,053	6,589,000	6,866,053
Unamortized loan acquisition costs	-	(288,346)	(288,346)
Net Pension Liability	7,781,001	1,291,000	9,072,001
Total Liabilities	<u>\$ 14,819,335</u>	<u>\$ 8,358,978</u>	<u>\$ 23,178,313</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Inflows Related to Pensions	\$ 455,000	\$ 71,000	\$ 526,000
Deferred Inflows Related to Leases	1,504,327	785,318	2,289,645
Total Deferred Inflows of Resources	<u>\$ 1,959,327</u>	<u>\$ 856,318</u>	<u>\$ 2,815,645</u>
<u>NET POSITION</u>			
Net investment in capital assets	\$ 14,677,581	\$ 3,952,452	\$ 18,630,033
Restricted for debt service	-	230,172	230,172
Restricted for capital improvement	-	1,419,874	1,419,874
Unrestricted	7,292,036	1,647,269	8,939,305
Total Net Position	<u>\$ 21,969,617</u>	<u>\$ 7,249,767</u>	<u>\$ 29,219,384</u>

See accompanying notes to
the basic financial statements.

CITY OF CORNING
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
Year Ended June 30, 2023

Statement 2

	Program Revenues					Net (Expense) Revenue and Changes In Net Position	
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
FUNCTIONS/PROGRAMS							
Governmental Activities:							
General Government:							
City Council	\$ 29,883	\$ -	\$ -	\$ -	\$ (29,883)	\$ -	
City Administration	217,652	-	-	-	(217,652)	-	
City Clerk	17,818	-	-	-	(17,818)	-	
City Treasurer	678	-	-	-	(678)	-	
City Finance	94,999	-	-	-	(94,999)	-	
General Government	<u>2,655,770</u>	<u>108,056</u>	<u>4,421</u>	<u>-</u>	<u>(2,543,293)</u>	<u>-</u>	
Total General Government	<u>3,016,800</u>	<u>108,056</u>	<u>4,421</u>	<u>-</u>	<u>(2,904,323)</u>	<u>-</u>	
Public Safety and Judiciary:							
Legal Services	94,208	-	-	-	(94,208)	-	
Police	2,308,584	13,877	237,026	-	(2,057,681)	-	
Police Dispatch	744,708	-	-	-	(744,708)	-	
Animal Control	150,725	-	-	-	(150,725)	-	
Fire	784,618	-	-	-	(784,618)	-	
Total Public Safety and Judiciary	<u>4,082,843</u>	<u>13,877</u>	<u>237,026</u>	<u>-</u>	<u>(3,831,940)</u>	<u>-</u>	
Transportation:							
Airport	-	-	-	-	-	-	
Streets	518,284	52,245	118,660	197,415	(149,964)	-	
Total Transportation	<u>518,284</u>	<u>52,245</u>	<u>118,660</u>	<u>197,415</u>	<u>(149,964)</u>	<u>-</u>	
Cultural, Parks and Recreation							
Library	47,092	-	-	-	(47,092)	-	
Theater	24,922	-	-	-	(24,922)	-	
Parks and Recreation	539,922	49,311	-	-	(490,611)	-	
Total Cultural, Parks and Recreation	<u>611,936</u>	<u>49,311</u>	<u>-</u>	<u>-</u>	<u>(562,625)</u>	<u>-</u>	
Community/Economic Development:							
Economic Development	126,832	-	-	107,215	(19,617)	-	
Total Community/Economic Development	<u>126,832</u>	<u>-</u>	<u>-</u>	<u>107,215</u>	<u>(19,617)</u>	<u>-</u>	
Business-Type Activities							
Sewer	2,191,853	2,285,075	-	-	-	93,222	
Water	1,711,599	1,703,176	-	-	-	(8,423)	
Solid Waste	-	-	-	-	-	-	
Airport	98,715	-	-	-	-	(98,715)	
Transportation	23,377	-	-	-	-	(23,377)	
Total Business-Type Activities	<u>4,025,544</u>	<u>3,988,251</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(37,293)</u>	
Total	<u>\$ 12,382,239</u>	<u>\$ 4,211,740</u>	<u>\$ 360,107</u>	<u>\$ 304,630</u>	<u>\$ (7,468,469)</u>	<u>\$ (37,293)</u>	

See accompanying notes to
the basic financial statements.

CITY OF CORNING
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
Year Ended June 30, 2023

Statement 2
(Continued)

CHANGES IN NET POSITION:

	<u>Governmental</u> <u>Activities</u>	<u>Business</u> <u>Activities</u>	<u>Total</u>
Net (Expense)/Revenue	\$ (7,468,469)	\$ (37,293)	\$ (7,505,762)
General Revenues:			
Taxes			
Sales and Use Taxes	5,198,690	-	5,198,690
Property Taxes	828,291	-	828,291
Franchise Taxes	193,268	-	193,268
Vehicle License Fees	855,540	-	855,540
Transit Occupancy Tax	534,313	-	534,313
Other Taxes	382,017	-	382,017
Intergovernmental	2,605,662	-	2,605,662
Investment Income	185,040	48,673	233,713
Donations	-	-	-
Other	347,514	210,365	557,879
Transfers - Internal Activity	-	-	-
Total General Revenues and Transfers	<u>11,130,335</u>	<u>259,038</u>	<u>11,389,373</u>
Change in Net Position	3,661,866	221,745	3,883,611
Net Position - Beginning of Year	<u>17,633,575</u>	<u>6,702,715</u>	<u>24,336,290</u>
Prior Period Adjustment	674,176	325,307	999,483
Residual Equity Transfers In (Out)	-	-	-
Net Position - Ending of Year	<u>\$ 21,969,617</u>	<u>\$ 7,249,767</u>	<u>\$ 29,219,384</u>

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BASIC FINANCIAL STATEMENTS

Fund Financial Statements

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CITY OF CORNING
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2023

Statement 3

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and Investments	\$ 3,194,898	\$ 8,461,302	\$ 11,656,200
Intergovernmental Receivable	480,461	703,342	1,183,803
Notes Receivable (C.D.B.G.)	-	4,130,637	4,130,637
Interest receivable	78,309	1,608,750	1,687,059
Due From Other Funds	<u>1,792,300</u>	<u>-</u>	<u>1,792,300</u>
Other Assets: Restricted Cash	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 5,545,968</u>	<u>\$ 14,904,031</u>	<u>\$ 20,449,999</u>
LIABILITIES			
Accounts Payable	\$ 72,099	\$ 180,155	\$ 252,254
Accrued Wages/Payroll Taxes	22,697	-	22,697
Due to Other Funds	-	1,785,633	1,785,633
Other liabilities	<u>1,794</u>	<u>-</u>	<u>1,794</u>
Total Liabilities	<u>96,590</u>	<u>1,965,788</u>	<u>2,062,378</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows related to Business Licenses	16,399	-	16,399
Deferred Onflows Related to Loans Receivable	<u>-</u>	<u>5,739,387</u>	<u>5,739,387</u>
Total Deferred Inflows of Resources	<u>16,399</u>	<u>5,739,387</u>	<u>5,755,786</u>
Total Liabilities	<u>112,989</u>	<u>7,705,175</u>	<u>7,818,164</u>
FUND BALANCES			
Restricted for contingences	625,000	-	625,000
Assigned	1,911,092	-	1,911,092
Unassigned	2,896,887	-	2,896,887
Unassigned - Special Revenues Funds	-	4,393,146	4,393,146
Unassigned - Capital Projects Funds	<u>-</u>	<u>2,805,710</u>	<u>2,805,710</u>
Total Fund Balances	<u>5,432,979</u>	<u>7,198,856</u>	<u>12,631,835</u>
Total Liabilities and Fund Balances	<u>\$ 5,545,968</u>	<u>\$ 14,904,031</u>	<u>\$ 20,449,999</u>

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET OF THE GOVERNMENT-WIDE
STATEMENT OF NET POSITION**

Total Fund Balance - Total Governmental Funds	\$	12,631,835
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets unused in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation of \$ 3,599,224.		15,051,064
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Lease Receivables		2,331,353
Deferred Outflows of Resources		3,492,000
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Deferred Inflows of Resources	\$	(455,000)
Long-Term Debt		(373,483)
Accrued Compensated Absences		(637,506)
Net leases		(2,289,645)
Net Pension Liability		<u>(7,781,001)</u>
Net Position of Governmental Activities	\$	<u>21,969,617</u>

See accompanying notes to
the basic financial statements.

CITY OF CORNING
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023

Statement 4

	<u>General fund</u>	<u>Non-Major Governmental funds</u>	<u>Total Governmental funds</u>
REVENUES:			
Taxes	\$ 7,636,752	\$ 355,367	\$ 7,992,119
Intergovernmental Revenues	863,121	2,407,278	3,270,399
Interest	67,490	117,550	185,040
Licenses and Permits	198,631	-	198,631
Miscellaneous	274,628	97,747	372,375
Total Revenues	<u>9,040,622</u>	<u>2,977,942</u>	<u>12,018,564</u>
EXPENDITURES:			
Current:			
General Government:			
City Council	28,447	-	28,447
City Administration	207,189	-	207,189
City Clerk	16,963	-	16,963
City Treasurer	645	-	645
City Finance	90,433	-	90,433
General Government	1,239,856	1,288,247	2,528,103
Total General Government	<u>1,583,533</u>	<u>1,288,247</u>	<u>2,871,780</u>
Public Safety and Judiciary:			
Legal Services	89,679	-	89,679
Police	2,194,421	3,185	2,197,606
Police Dispatch	708,910	-	708,910
Animal Control	143,479	-	143,479
Fire	746,900	-	746,900
Total Public Safety and Judiciary	<u>3,883,389</u>	<u>3,185</u>	<u>3,886,574</u>
Transportation:			
Streets	139,180	354,189	493,369
Total Transportation	<u>139,180</u>	<u>354,189</u>	<u>493,369</u>
Cultural, Parks and Recreation			
Library	44,828	-	44,828
Theater	23,724	-	23,724
Parks and Recreation	487,080	26,965	514,045
Total Cultural, Parks and Recreation	<u>555,632</u>	<u>26,965</u>	<u>582,597</u>
Community/Economic Development:			
Economic Development	37,500	83,234	120,734
Total Community/Economic Development	<u>37,500</u>	<u>83,234</u>	<u>120,734</u>
Debt Service:			
Principal	-	54,410	54,410
Interest and Other Charges	-	9,992	9,992
Capital Outlay	2,032,290	581,767	2,614,057
Total Expenditures	<u>8,231,524</u>	<u>2,401,989</u>	<u>10,633,513</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>809,098</u>	<u>575,953</u>	<u>1,385,051</u>
OTHER FINANCING SOURCES (USES)			
Debt Proceeds	-	-	-
Transfers In / Out	(711,832)	711,832	-
Total Other Financing Sources and (Uses)	<u>(711,832)</u>	<u>711,832</u>	<u>-</u>
Net Change in Fund Balances	97,266	1,287,785	1,385,051
Fund Balances-Beginning of Year	5,335,713	5,911,071	11,246,784
Residual Equity Transfers	-	-	-
Prior period adjustment	-	-	-
Fund Balances-End of Year	<u>\$ 5,432,979</u>	<u>\$ 7,198,856</u>	<u>\$ 12,631,835</u>

See accompanying notes to
the basic financial statements.

**CITY OF CORNING
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2023**

Statement 4
(Continued)

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the to the Government-Wide statement of Activities and Changes in Net Position:

Net change in fund balances - Total Governmental Funds \$ 1,385,051

Amounts reported for governmental activities in the Statement of Activities and changes in Net Position are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the estimated useful life of the assets:

Capital assets purchases capitalized	\$ 2,614,057	
Donated Infrastructure not included in capital outlay	-	
Depreciation expense	<u>(452,264)</u>	2,161,793

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on Net Position. This amount is the net effect of these differences in the treatment of long-term debt and related items:

Bond proceeds		
Bond Principal Retirement	<u>54,410</u>	54,410

Revenues in the Statement of Activities that do not provide current funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

Capital lease obligation principal payments		-
---	--	---

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures on governmental funds:

Net Pension Liability		849,199
Accrued compensated absences		<u>-</u>

Change in Net Position of Governmental Activities	\$	<u>4,450,453</u>
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CITY OF CORNING
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2023

Statement 5

	Enterprise Funds
	<u> </u>
<u>ASSETS</u>	
<u>Current Assets:</u>	
Cash and Investments	\$ 3,852,129
Accounts Receivable	226,723
Lease Receivable	790,504
Inventory	-
Total Current Assets	<u>4,869,356</u>
<u>Noncurrent Assets:</u>	
Capital Assets:	
Land and Construction in Progress	838,088
Property, Plant, and Equipment	26,633,797
Accumulated Depreciation	<u>(16,634,433)</u>
Net Capital Assets	<u>10,837,452</u>
Restricted Assets	<u>232,922</u>
Total Noncurrent Assets	<u>11,070,374</u>
Deferred Outflows of Resources	
Pension Contribution	<u>532,000</u>
Total Assets	<u>\$ 16,471,730</u>
 <u>LIABILITIES</u>	
<u>Current Liabilities:</u>	
Accounts Payable	\$ 169,513
Accrued Wages/Payroll Taxes	4,549
Due to other funds	6,667
Accrued Interest Payable	90,608
Deposits	26,180
Current Portion of Non-Current Liabilities	<u>345,000</u>
Total Current Liabilities	<u>642,517</u>
<u>Noncurrent Liabilities:</u>	
Notes, Bonds and Certificates Payable	6,540,000
Loan Acquisition Costs	(288,346)
Accrued Compensated Absences	180,474
Net Pension Liability	1,291,000
Loans	-
Total Noncurrent Liabilities	<u>7,723,128</u>
Total Liabilities	<u>8,365,645</u>
<u>Deferred Inflows of Resources:</u>	
Related to Leases	785,318
Related to Pensions	<u>71,000</u>
Total Deferred Inflows of Resources:	<u>856,318</u>
<u>NET POSITION:</u>	
Investment in Capital Assets, net of related debt	3,952,452
Restricted for capital improvement	1,419,874
Restricted for debt service	230,172
Unrestricted	<u>1,647,269</u>
Total Net Position	<u>\$ 7,249,767</u>

See accompanying notes to
the basic financial statements.

CITY OF CORNING
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023

Statement 6

	<u>Enterprise Funds</u>
OPERATING REVENUES:	
Charges for Services	
Sewer Charges	\$ 2,285,075
Water Charges	1,702,526
Solid Waste	0
Connection Fees	650
Lease and Rents	36,783
Other revenue	173,582
Total Operating Revenues	<u>4,198,616</u>
OPERATING EXPENSES:	
Salaries and Benefits	947,811
Utilities	540,377
Depreciation	482,395
Amortization	12,517
Other Expenses	1,766,106
Total Operating Expenses	<u>3,749,206</u>
Operating Income	<u>449,410</u>
NONOPERATING REVENUES (EXPENSES):	
Interest Income	48,673
Interest expense	<u>(276,338)</u>
Total Nonoperating Revenue (Expenses)	<u>(227,665)</u>
Income Before Contributions and Transfers	-
Operating transfers in (out)	<u>-</u>
Net income (Loss)	221,745
Net Position-Beginning of Year - As previously stated	6,702,715
Prior period adjustment	<u>325,307</u>
Net Position - Beginning of Year	7,028,022
Residual Equity Transfers In	-
Residual Equity Transfers Out	-
Net Position - End of Year	\$ <u><u>7,249,767</u></u>

See accompanying notes to
the basic financial statements.

CITY OF CORNING
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
JUNE 30, 2023

Statement 7

	<u>Enterprise Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers	\$ 4,013,331
Other Operating Cash Receipts	209,283
Payments to Suppliers	(2,233,376)
Payments to Employees	<u>(286,162)</u>
Net Cash Provided (Used) by Operating Activities	<u>1,703,076</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Operating transfers from (to) other funds	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Interest Paid	(279,756)
Repayment of Certificates of Participation	(335,000)
Changes on long term debt	(191,021)
Repayment of Loan Payable: Mid Valley Bank	15,000
Changes in GASB 87 amounts	(191,445)
Payments for capital acquisitions	<u>(863,016)</u>
Net cash (used by) capital and related financing activities	<u>(1,845,238)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Receipts of interest	<u>48,673</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(93,489)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>4,171,873</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 4,078,384</u>
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Net Operating Income (Loss)	\$ 449,410
Adjustments to Reconcile Net Income to Net Cash Provided by (Used by) Operating Activities:	
Depreciation/Amortization	494,912
Pension adjustment	662,944
Decrease (Increase) in Accounts Receivable	21,757
Decrease (Increase) in Inventory	20,278
Increase (Decrease) in Accounts Payable	56,247
Increase (Decrease) in Wages Payable	(1,295)
Increase (Decrease) in Interest Payable	(3,418)
Increase (Decrease) in Deposits	<u>2,241</u>
Net cash from (used for) operating activities	<u>\$ 1,703,076</u>

See accompanying notes to the
basic financial statements.

CITY OF CORNING
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023

Statement 8

	<u>Private Purpose Trust Funds</u>
<u>ASSETS</u>	
Cash and Investments	\$ 249,702
Total Assets	<u>\$ 249,702</u>
 <u>Net Position</u>	
Held in trust for:	
Scholarships	\$ 24,632
Library Systems	<u>225,070</u>
Total Net Position	<u>\$ 249,702</u>

CITY OF CORNING
STATEMENT OF CHANGE IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023

Statement 9

	<u>Private Purpose Trust Funds</u>
<u>Additions:</u>	
Interest Income	\$ 3,556
Total Revenues	<u>3,556</u>
<u>Deductions:</u>	
Scholarships	-
Capital Outlay	-
Other Deductions	<u>1,184</u>
Total Deductions	<u>1,184</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,372</u>
Change in Net Position	<u>2,372</u>
Net Position - Beginning of the Year	247,330
Residual Equity Transfers	-
Net Position - End of the Year	<u>\$ 249,702</u>

BASIC FINANCIAL STATEMENTS

Notes to Basic Financial Statements

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CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies of the City of Corning (City), all of which conform to United States generally accepted accounting principles (U.S. GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

A. Reporting Entity

The City was incorporated in 1907, as a general law city formed under state legislative statutes and governed by a body of laws in the State Constitution. The financial reporting entity (the government) includes all the funds of the primary government (i.e., the City as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The government provides a full range of services including police and fire protection; sanitation, electric, water, and wastewater services; the construction and maintenance of streets and infrastructure; recreational activities and cultural events.

As required by U.S. GAAP, the accompanying basic financial statements present the City and its component units. Component units are entities for which the City is considered to be financially accountable. GASB defines component units as legally separate entities that meet any one of the following tests:

- a. The component unit's governing body is substantively the same as the governing body of the City and:
 1. there is a financial benefit or burden relationship between the City and the component unit or,
 2. Management of the City has operational responsibility for the component unit.
- b. The component unit provides services entirely, or almost entirely, to the City or otherwise exclusively, or almost exclusively, benefits the City even though it does not provide services to it.
- c. The component unit's total debt outstanding, including leases, is expected to be repaid entirely or almost entirely with resources of the City.

Management determined that there are no component units based on the criteria above.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained in accordance with legal and managerial requirements.

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The Statement of Net Position reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources represent a consumption of net assets that applies to future periods and that, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources represent an acquisition of net assets that applies to future periods and that, therefore, are not recognized as revenue until that time.

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included among program revenues are reported instead as general revenues.

The government-wide financial statements are reported using the “economic resources” measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Government-Wide Financial Statements (Continued)

revenues rather than as program revenues. Likewise, general revenues include all taxes.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's business type activities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in Net Position as presented in these statements to the Net Position presented in the Government-Wide Financial Statements. The City has presented all major funds that met the applicable criteria.

Governmental fund financial statements are reported using the "current financial resources" measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues as available if they are collected within sixty (60) days of the end of the current fiscal period, except for sales tax which has a ninety (90) day availability period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences.

Property taxes, sales taxes, transient occupancy tax, grants, licenses, fees, charges and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

**CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Governmental Fund Financial Statements(Continued)

The City reports the following major governmental funds:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The General Capital Projects Fund accounts for the financing and construction activities of the general government.

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows for each major Proprietary Fund.

The City has no internal service funds.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. In these funds, receivables have been recorded as revenue and provisions have been made for uncollectible amounts.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Tap and similar fees have been reported as non-operating revenues in the City's statement of revenue expense and changes in net position for proprietary funds and as capital grants and contributions in the statement of activities and changes in net position. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Proprietary Fund Financial Statements (Continued)

The City reports the following major proprietary funds:

The Water Enterprise Fund accounts for the operations of the City's water utility, a self-supporting activity which renders a service on a user-charge basis to residents and businesses.

The Sewer Utility Fund accounts for the operations of the City's wastewater utility, a self-supporting activity which renders a service on a user-charge basis to residents and businesses.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a statement of fiduciary net position and a statement of changes in fiduciary net position. The City's fiduciary funds represent expendable trust funds. These funds use the economic resources measurement focus.

Fiduciary fund types are accounted for according to the nature of the fund.

The City's trust funds are used to account for assets held by a governmental unit as an agent for individuals, governmental entities (other than the City) and non-public organizations. This fund is used to account for deposits and collects monies for various community events which are remitted to the organizers.

C. Cash and Investments

The City pools idle cash from all funds for the purpose of increasing income through investment activities. Cash deposits are stated at cost, which approximates fair value. Investments are stated at fair value. Investment income is recorded as revenue in the individual funds based on the computed average interest rate of all investments and the average daily cash balance of each fund. For purposes of the statement of cash flows of the proprietary fund types, cash and cash equivalents include all investments, as the City operates an internal cash management pool which maintains the general characteristics of a demand deposit account.

All cash and investments of proprietary funds are held in the City's investment pool. Therefore, all cash and investments in the proprietary funds are considered cash and cash equivalents for purposes of the statement of cash flows as these cash pools have the general characteristics of a demand deposit account.

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Cash and Investments (Continued)

Certain disclosure requirements, if applicable, for Deposits and Investment Risks in the following areas:

- Interest Rate Risk
- Credit Risk
 - Overall
 - Custodial Credit Risk
 - Concentration of Credit Risk
 - Foreign Currency Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

U.S. GAAP defines fair value, establishes a framework for measuring fair value and establishes disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value in the Statements of Net Position or Balance Sheet, are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Levels of inputs are as follows:

Level 1 – Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1, which are observable for the assets or liabilities through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management’s best estimate of what market participants would use in pricing the assets or liabilities at the measurement date.

D. General Receivables and Property Taxes Receivable

The City records an allowance for doubtful accounts on general accounts receivable based on the experience method.

The County of Tehama assesses, bills, and collects property taxes for the City. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on July 1. They become due November 1 and February 1 and become delinquent December 10 and April 10. City property tax revenue is recognized when levied to the extent that it is available (collected within 60 days of year-end).

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Inventories

Inventories are physically counted at year-end and valued at their average cost. All inventories consist of expendable supplies held for consumption. The cost is recorded as inventory when items are purchased and as expenditures when the items are used (the consumption method of accounting for inventories). The weighted average method is used for establishing the cost of inventory consumed.

F. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. “Right-to-use” assets are defined by the government as assets with an initial present value of more than \$5,000 and an estimated life in excess of one year. Such assets are recorded at present value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset’s life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Depreciable Asset</u>	<u>Estimated Lives</u>
Buildings	10-40 years
Improvements	10-40 years
Machinery and Equipment	3-20 years
Utility System	5-50 years
Infrastructure	15-50 years
Right-to-use assets	Life of Lease

For all infrastructure systems, the City elected to use the Basic Approach. The City defines infrastructure as the basic physical assets that allow the City to function. The assets include the streets, water purification and distribution system, sewer collection and treatment system, parks and recreation, lands and improvement system, storm water conveyance system, and buildings combined with the site amenities such as parking and landscaped areas used by the

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Capital Assets (Continued)

City in the conduct of its business. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, traffic control devices (signs, signals and pavement markings), landscaping and land.

These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

G. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans (Note 1). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. The following time frames are used for pension reporting:

CalPERS:	
Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Measurement Period	July 1, 2022 to June 30, 2023

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

H. Other Postemployment Healthcare Benefits (OPEB)

Management has determined that there are not material OPEB benefits to report.

**CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Vacation and Sick Pay

Vacation pay is vested to the employees as it accrues and is payable upon retirement or termination. Sick leave, however, does not vest to the employees and is payable only when sick leave is taken.

Vacation pay is vested to the employees as it accrues and is payable upon retirement or termination. Sick leave, however, does not vest to the employees and is payable only when sick leave is taken.

Unused vacation and sick leave have been accrued in the accompanying government-wide financial statements and the accompanying proprietary fund financial statements.

J. Leases

Lease-related amounts are recognized at the inception of leases in which the City is the lessor. The deferred inflow of resources is recorded in an amount equal to the corresponding lease receivable plus certain additional amounts received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The inflow of resources is recognized in a systematic and rational manner over the term of the lease.

K. Unearned Revenue

In the government-wide financial statements, unearned revenue is recorded for transactions for which revenues have not been earned.

In the fund financial statements, deferred revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City records deferred revenues when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

L. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Long-Term Obligations (Continued)

applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method, which does not materially differ from the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

M. Net Position

For government-wide reporting as well as in proprietary funds, fund equity is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balance of bonds, notes and other debt that are attributed to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt are included in this component of net position.

Restricted net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.

Unrestricted net position is the net amount of assets, deferred outflows or resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.

N. Fund Balances

In the fund financial statements, governmental funds aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The

CITY OF CORNING
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Fund Balances (Continued)

non-spendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications; restricted, committed, assigned, and unassigned.

Restricted fund balance. This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance. These amounts can only be used for specific purposes pursuant to constraints imposed ordinances of the City Council – the government’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the City Council removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for the use in satisfying those contractual requirements.

Assigned fund balance. This classification reflects the amounts constrained by the City Council’s “intent” to be used for specific purposes, but are neither restricted nor committed. By Council Policy the City Council and City Manager have the authority to allocate amounts to be used for specific purposes. City Council approves the appropriation; however, the budget ordinance authorizes the City Manager to modify the appropriations by resource or appropriation within a functional area or fund.

Unassigned fund balance. This amount is for any portion of the fund balances that do not fall into one of the above categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

O. Spending Policy

When both restricted and unrestricted resources are available for use, it is the City’s policy to use externally restricted resources first, then unrestricted resources-committed, assigned, and unassigned-in order as needed. The City has no formal policy of assignment of fund balance. So it is presumed that the order of spending is first committed fund balance, then assigned fund balance, and last of all, unassigned fund balance.

**CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Q. New Governmental Accounting Standards Implemented for the Year Ended June 30, 2023

The requirements of the following accounting standards are effective for the purpose of implementation, if applicable to the City, for the year ended June 30, 2023. The financial statements included herein apply the requirements and provisions of these statements, including necessary retroactive adjustments to financial statement classifications and presentations.

GASB Statement No. 87 - In June 2017, GASB issued Statement No. 87, Leases (GASB Statement No. 87), to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It also establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Implementation of this Statement had a significant effect on the City's financial statements for fiscal year ended June 30, 2023.

R. Upcoming Governmental Accounting Standards Implementation

The City is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB statements:

GASB Statement No. 91 - In May 2019, GASB issued Statement No. 91, Conduit Debt Obligations (GASB Statement No. 91), to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Application of this statement is effective

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Upcoming Governmental Accounting Standards Implementation (Continued)

for the City’s fiscal year ending June 30, 2023, as amended by GASB 95.

GASB Statement No. 94 - In March 2020, GASB issued Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Application of this statement is effective for the City’s fiscal year ending June 30, 2023.

GASB Statement No. 99 - In April 2023, GASB issued Statement No. 99, Omnibus 2023. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Application of this statement is effective for the City’s fiscal year ending June 30, 2023.

GASB Statement No. 100 - In June 2023, GASB issued Statement No. 100, Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Application of this statement is effective for the City’s fiscal year ending June 30, 2024.

GASB Statement No. 101 - In June 2023, GASB issued Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Application of this statement is effective for the City’s fiscal year ending June 30, 2025.

NOTE 2: CASH AND INVESTMENTS

At June 30, 2023, cash and investments are reported in the accompanying basic financial statements as follows:

Government-Wide

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 2: CASH AND INVESTMENTS (Continued)

	Statement of Net Position			Fiduciary Funds	
	Governmental Activities	Business-Type Activities	Total	Statement of Net Position	Total
Cash and Investments	\$ 11,656,200	\$ 3,852,129	\$ 15,508,329	\$ 249,702	\$ 15,758,031
Restricted Cash and Investments	<u>-</u>	<u>232,922</u>	<u>232,922</u>	<u>-</u>	<u>232,922</u>
Totals	\$ <u>11,656,200</u>	\$ <u>4,085,051</u>	\$ <u>15,741,251</u>	\$ <u>249,702</u>	\$ <u>15,990,953</u>

At June 30, 2023, cash and investments, including cash and investments with fiscal agent, are reported at fair value in accordance with generally accepted accounting principles.

The following table presents the fair value measurements of the investments recognized in the accompanying statement of net position and balance sheet measured at fair value on a recurring basis and the levels within GASB 72 fair value hierarchy in which fair value measurement fall at June 30, 2023:

	Fair Value			Measurement Input
	Unrestricted	Restricted	Total	
Deposits	\$ 6,505,290	\$ 232,922	\$ 6,735,212	N/A
Local Agency Investment Fund	<u>9,252,741</u>	<u>-</u>	<u>9,252,741</u>	Uncategorized
Total investments	<u>9,252,741</u>	<u>-</u>	<u>9,252,741</u>	
Total cash and investments	\$ <u>15,758,031</u>	\$ <u>232,922</u>	\$ <u>15,990,953</u>	

A. Demand Deposits

At June 30, 2023, the carrying amount of the City’s deposits was \$6,735,212 of which \$232,922 was restricted and \$6,505,290 was unrestricted. The bank balance was \$7,181,844. Of the bank balance, \$500,000 was covered by Federal depository insurance, and \$6,681,844 was covered by collateral held in the pledging bank’s trust department.

The California Government Code requires California banks and savings and loan associations to secure the City’s cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

The market value of pledged securities must equal at least 110% of the City's cash deposits.

California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City’s total cash deposits. The City may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The City, however, has not waived the collateralization requirements.

**CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 2: CASH AND INVESTMENTS (Continued)

B. Investments

The California Government Investment Code and the investment policy of the City authorize the City to invest in obligations, participation, or other instruments of the U.S. Government or its agencies, state and municipal bonds, commercial paper of “prime” quality of the highest ranking or of the highest letter and numerical rating as provided by Standard & Poor’s Corporation or Moody’s Investor Service, Inc., bankers’ acceptances, repurchase agreements, mortgage pass-through securities, collateralized mortgage obligations, mortgage-backed or other pay-through bonds, equipment lease-backed certificates, consumer receivable pass-through certificates, or consumer receivable-backed bonds, and medium-term notes (issued by U.S. Corporations) of a maximum of five years with a minimum rating category of “A” by a nationally recognized rating service, notes, bonds, or other obligations secured by a valid first priority security interest, and the State Treasurer’s Investment Pool (LAIF).

C. Investments in Local Agency Investment Fund

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City’s investments in LAIF at June 30, 2023 included a portion of pool funds invested in Structure Notes and Asset-Backed Securities:

Structured Notes are debt securities (other than asset-backed securities) whose cash-flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2023, the City had \$9,095,065 invested in LAIF, which had invested 1.88% of the pool investment funds in Structured Notes (1.14%) and Asset-Back Securities (.74%). LAIF determines the value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available. The City valued its investments in LAIF as of June 30, 2023, by multiplying its account balance with LAIF times a fair value factor determined by LAIF. This fair value factor was determined by dividing all LAIF participants’ total aggregate amortized cost by total aggregate fair value. The fair value of the City’s position in the pool is the same as the value of the pool shares. The credit quality rating of LAIF is unrated as of June 30, 2023.

**CITY OF CORNING, CALIFORNIA
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 2: CASH AND INVESTMENTS (Continued)

D. Risk Disclosures

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City varies its maturity dates throughout the five-year maturity period. The investments with maturities greater than 5 years pertain to investment agreements within the bond issues. These agreements afford the City long-term fixed interest rates for the duration of the bond issue, with the option to utilize those funds for debt service payments and at the City’s option replenish those funds at the fixed rate until the maturity of the investment agreements. The City has no formal policy regarding interest rate risk.

As of June 30, 2023, the City had the following investments and maturities:

	Amount	Maturity
Investment in State		
Treasurers Investment Pool	\$ <u>9,252,741</u>	One year or less

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating as of year-end for each investment type. As of June 30, 2023, the City’s investments in LAIF are not rated as LAIF is a State sponsored investment pool. The City policy limits the percentage invested in various instruments by category.

Disclosures Relating to Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer of securities. When investments are concentrated in one issuer, this concentration presents a heightened risk of potential loss. State law restricts the City's investments in commercial paper to 40% of its investment pool and to 10% per issuer and corporate bonds and medium term notes to 30% of its investment pool and to 10% per issuer, and banker's acceptances to 15% of its investment pool and to 10% per issuer. The City has invested all cash, other than deposits and imprest cash, in the California Local Agency Investment Fund (LAIF). At June 30, 2023, the City's investments were in compliance with concentration of credit risk State law.

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 3: CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2023, was as follows:

	<u>Balance</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Adjustments/ Retirements</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2023</u>
<i>Governmental Activities:</i>					
Capital Assets, Not Being Depreciated:					
Land	\$ -	\$ -	\$ -	\$ -	\$ -
Construction in progress	218,642	388,851	-	(48,103)	559,390
Total Capital Assets, Not Being Depreciated	<u>218,642</u>	<u>388,851</u>	<u>-</u>	<u>(48,103)</u>	<u>559,390</u>
Capital Assets, Being Depreciated:					
Buildings	2,024,359	103,990	-	-	2,128,349
Parks	4,953,312	-	-	-	4,953,312
Fire Department	2,004,791	-	-	-	2,004,791
Police Department	739,870	57,854	(80,123)	48,103	765,704
Machinery and equipment	687,851	-	-	25,000	687,851
Infrastructure	8,852,002	380,747	-	(25,000)	9,207,749
Total Capital Assets, Being Depreciated	19,252,185	542,591	(80,123)	-	19,762,756
Less Accumulated Depreciation	<u>(5,758,818)</u>	<u>(517,138)</u>	<u>(64,872)</u>	<u>-</u>	<u>(6,211,084)</u>
Total Capital Assets, Being Depreciated, Net	<u>13,503,267</u>	<u>25,453</u>	<u>(15,251)</u>	<u>48,103</u>	<u>13,561,572</u>
Total Governmental Activities, Net	<u>\$ 13,721,909</u>	<u>\$ 414,304</u>	<u>\$ (15,251)</u>	<u>\$ -</u>	<u>\$ 14,120,962</u>
<i>Business-Type Activities:</i>					
Capital Assets, Not Being Depreciated:					
Land	\$ 838,088	\$ -	\$ -	\$ -	\$ 838,088
Construction in progress	-	-	-	-	-
Total Capital Assets, Not Being Depreciated	<u>838,088</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>838,088</u>
Capital Assets, Being Depreciated:					
Buildings	2,652,532	-	-	-	2,652,532
Improvements	474,248	-	-	-	474,248
Machinery and equipment	1,049,830	236,900	-	-	1,286,730
Utility Property	22,183,380	-	-	-	22,183,380
Total Capital Assets, Being Depreciated	26,359,990	236,900	-	-	26,596,890
Less Accumulated Depreciation	<u>(16,152,038)</u>	<u>(482,395)</u>	<u>-</u>	<u>-</u>	<u>(16,634,433)</u>
Total Capital Assets, Being Depreciated, Net	<u>10,207,952</u>	<u>(245,495)</u>	<u>-</u>	<u>-</u>	<u>9,962,457</u>
Total Business-type Activities, Net	<u>\$ 11,046,040</u>	<u>\$ (245,495)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,800,545</u>

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 3: CAPITAL ASSETS (Continued)

Depreciation

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 186,688
Public Safety and Judiciary	252,656
Transportation	32,073
Culture Parks and Recreation	37,873
Community Economic Development	<u>7,848</u>
Total Depreciation Expense -- Governmental Functions	<u>\$ 517,138</u>

Depreciation expense was charged to the business-type functions as follows:

Sewer	\$ 221,415
Solid Waste	-
Airport	79,014
Transportation	-
Water	<u>181,966</u>
Total Depreciation Expense - Business-Type Functions	<u>\$ 482,395</u>

NOTE 4: UNEARNED REVENUE - DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

The City implemented GASB Statement No. 65, Items Previously Reported as Assets and Liabilities as of June 30, 2021.

GASB No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows or resources, certain items that were previously reported as assets and liabilities.

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows or resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The City has no items to report in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 4: UNEARNED REVENUE - DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (Continued)

inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow or resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. Deferred inflows of resources reported in the governmental funds are unavailable revenues of \$5,756,107 related to long-term notes and loans receivable.

At June 30, 2023, the components of unearned revenue in governmental funds consisted of off-sets to notes receivable in the amount of \$5,739,344, in addition there was unearned revenue in the General Fund in the amount of \$16,763.

Deferred inflows of resources are also impacted by the implementation of GASB 87 for lease reporting. Deferred inflows of resources related to leases represent the deferred revenue related to the present value of lease receivable.

NOTE 5: LONG-TERM DEBT

Long-term debt for the year ended June 30, 2023, was as follows:

	<u>Balance</u> <u>July 1, 2022</u>	<u>Additions</u>	<u>Adjustments/ Retirements</u>	<u>Balance</u> <u>June 30, 2023</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities					
U.S. Bancorp Leasing	169,014	-	(59,780)	109,234	63,536
Pacific Gas and Electric	294,095	-	(29,845)	264,250	32,893
Compensated Absences (Note 1)	<u>695,312</u>	<u>250,000</u>	<u>(312,993)</u>	<u>632,319</u>	<u>185,000</u>
Total Government Activities	\$ <u>1,158,421</u>	\$ <u>250,000</u>	\$ <u>(402,616)</u>	\$ <u>1,005,803</u>	\$ <u>282,429</u>
Business-Type Activities					
2017 Water and Sewer Revenue Refunding Bonds	\$ 7,220,000	\$ -	\$ (335,000)	\$ 6,885,000	\$ 345,000
Compensated Absences (Note 1)	<u>173,828</u>	<u>53,838</u>	<u>(47,192)</u>	<u>180,474</u>	<u>49,000</u>
Total Business-Type Activities	\$ <u>7,393,828</u>	\$ <u>53,838</u>	\$ <u>(382,192)</u>	\$ <u>7,065,474</u>	\$ <u>384,000</u>
Loan Acquisition Costs:					
Loan Acquisition Costs	\$ 284,413	\$ -	\$ -	\$ -	\$ 284,413
Less Accumulated amortization	<u>(70,201)</u>	<u>-</u>	<u>(12,519)</u>	<u>-</u>	<u>(82,720)</u>
Loan Acquisition costs, net of amortization	\$ <u>214,212</u>	\$ <u>-</u>	\$ <u>(12,519)</u>	\$ <u>-</u>	\$ <u>201,693</u>

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 5: LONG-TERM DEBT (Continued)

At June 30, 2023, loans consisted of the following:

2017 Revenue Refunding Bond

In March of 2017, the City of Corning entered into an agreement with Union Bank of California, N.A., to sell Revenue Refunding Bonds in the amount of \$8,620,000. The Water Revenue Refunding Bonds in the amount of \$3,460,000 and Sewer Revenue Refunding Bonds in the amount of \$5,160,000, along with other available money, were used to refinance the 2005 Series B of the Certificates of Participation, the Installment Purchase Agreement for the Clark Well and the 1999 Certificates of Participation. The 2017 Bonds bear an interest rate of 3.25 percent. The payment of principal and interest is derived solely from water and sewer revenue. Interest is payable semiannually on March 1 and September 1. Principal payments are required each September 1.

Fire Truck - Lease Purchase

The City entered into a financing type lease for a Fire Truck in the original amount of \$403,159. The lease is payable in quarterly installments of \$16,101 with interest at 3.06%.

Pacific Gas and Electric - Retrofit

In an arrangement with Pacific Gas and Electric (PG&E), the City contracted with independent parties in 2019 and 2020 to make certain energy retrofit modification to many of the City's buildings. As part of that arrangement, the City received loan proceeds from PG&E in 2020-2021 totaling \$354,669 to pay for the modifications. The no interest loan payments range from 49 to 120 months and are paid as a line item on the various monthly PG&E billings.

The annual aggregate maturities for the years subsequent to June 30, 2023, are disclosed in the other disclosures section on pages 53 through 54.

Operating Leases

Rental expenses incurred under operating leases are not considered material.

NOTE 6: INTERFUND TRANSACTIONS

Due To/From Other Funds

During the course of operations, transactions occur between funds to account for goods received or services rendered. These receivables and payables are classified as due from or

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 6: INTERFUND TRANSACTIONS (Continued)

Due To/From Other Funds (Continued)

due to other funds. In addition, when funds overdraw their share of pooled cash, the receivables and payables are also classified as due from or due to other funds. The following amounts were reflected as due from and due to other funds as of June 30, 2023:

<u>Due To:</u>		<u>Due From:</u>	
General Fund	\$ 1,792,300	Proposition 47 Grant Funds (Fund 195)	\$ 746,154
		Proposition 68 Park Fund (Fund 360)	850,784
		ATP (SR25) (Fund 118)	40,986
		LIHEAP Grant Fund 154)	16,497
		CDBG CV 1,2,3 (Fund 180)	61,540
		Solid Waste Fund (Fund 615)	6,667
		L and L District 1 Zone 1 (Fund 701)	1,874
		L and L District 1 Zone 5 (Fund 705)	84
		Street Scape (Fund 359)	<u>67,714</u>
Total	<u>\$ 1,792,300</u>		<u>\$ 1,792,300</u>

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various City operations and re-allocations of special revenues. The following are the interfund transfers for fiscal year ended June 30, 2023:

<u>Transfer From:</u>		<u>Transfer To:</u>	
General Fund	\$ 647,545	Equipment Replacement Fund - Pub Wks	\$ 183,796
		Equipment Replacement Fund - Fire	324,002
		Equipment Replacement Fund - Police	139,747
Sewer Enterprise Fund	400,000	WWTP Capital Replacement Fund	90,000
		WWTP Debt Service Fund	160,000
		Sewer Capital Improvement Fund	50,000
Water Enterprise Fund	-	Short Lived Water Reserve Fund	<u>100,000</u>
Total	<u>\$ 1,047,545</u>		<u>\$ 1,047,545</u>

NOTE 7: RETIREMENT PLANS

A. General Information about the Pension Plans

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Local Government's separate Safety (police and fire) and Miscellaneous (all other) Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and Local Government resolution. CalPERS issues publicly

**CITY OF CORNING, CALIFORNIA
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 7: RETIREMENT PLANS (Continued)

A. General Information about the Pension Plans (Continued)

Plan Description (Continued)

available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefit Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

Employees Covered by Benefit Terms

At June 30, 2021, the valuation date, the following employees were covered by the benefit terms:

	<u>Safety Plan</u>	<u>Miscellaneous Plan</u>
Hire date	On or after 01/01/2013	On or after 01/01/2013
Benefit formula	3%@55	2%@60
Vesting schedule	5 Years	5 Years
Benefit payments	Monthly for Life	Monthly for Life
Retirement age	55	60
Monthly benefits as a % of eligible compensation	3%	2%
Required employee contribution rate	9%	7%
Required employer contribution rate	20.057%	7.846%

The City’s Third Tier plans are currently considered unfunded so no additional disclosures are provided.

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions
 (Continued on the following page)

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 7: RETIREMENT PLANS (Continued)

A. General Information about the Pension Plans (Continued)

Contributions (Continued)

for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Local Government is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2023, the contributions recognized as part of pension expense for each Plan were as follows:

	<u>Safety Plan</u>	<u>Miscellaneous Plan</u>
Contributions - Employer	\$ 302,156	\$ 89,471
Contributions - Employee (Paid by employer)	\$ 12,512	\$ 9,703

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2023, the Local Government reported net pension liabilities for its proportionate shares of the net pension liability of each Plan as follows:

	<u>Safety Plan</u>	<u>Miscellaneous Plan</u>
Proportionate shares of the net pension liability	\$ <u>5,155,975</u>	\$ <u>3,915,912</u>

The Local Government’s net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2022 and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. The Local Government’s proportion of the net pension liability was based on a projection of the Local Government’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The Local Government’s proportionate share of the net pension liability for each Plan as of June 30, 2021 and 2022 was as follows:

	<u>Safety Plan</u>	<u>Miscellaneous Plan</u>
Proportion - June 30, 2021	<u>0.07920%</u>	<u>0.10439%</u>
Proportion - June 30, 2022	<u>0.075030%</u>	<u>0.08369%</u>
Change, Increase (Decrease)	<u>(0.00399)%</u>	<u>(0.02070)%</u>

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 7: RETIREMENT PLANS (Continued)

For the year ended June 30, 2023, the Local Government recognized pension expense of \$1,265,681. At June 30, 2023, the Local Government reported deferred outflows of resources related to pensions from the following sources:

Pension contributions subsequent to measurement date	\$ 1,056,350
Differences between actual and expected experience	183,367
Differences between Projected and Actual Investment Earnings	1,531,492
Changes in assumptions	921,145
Change in employer's proportion	333,993
Differences between the employer's contributions and the employer's proportionate share of contributions	-
Total	<u>\$ 4,026,347</u>

At June 30, 2023, the Local Government reported deferred inflows of resources related to pensions from the following sources:

Differences between actual and expected Investment experience	\$ -
Changes in assumptions	-
Change in employer's proportion	77,748
Differences between Projected and Actual Investment Earnings	-
Differences between the employer's contributions and the employer's proportionate share of contributions	<u>451,948</u>
Total	<u>\$ 529,696</u>

\$4,026,347 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

	<u>Safety Plan</u>	<u>Miscellaneous Plan</u>
2024	\$ 439,492	\$ 217,475
2025	355,707	188,726
2026	198,454	105,055
2027	496,673	438,720
2028	-	-
Thereafter	-	-

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 7: RETIREMENT PLANS (Continued)

Actuarial Methods and Assumption Used to Determine Total Pension Liability

The June 30, 2023 total pension liabilities were based on the following actuarial methods and assumptions:

	<u>Safety Plan</u>	<u>Miscellaneous Plan</u>
Valuation Date	-----June 30, 2023-----	-----
Measurement Date	-----June 30, 2022-----	-----
Actuarial Cost Method	Entry-age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	-----7.15%-----	-----
Inflation	-----2.50%-----	-----
Payroll Growth Rate	-----2.75%-----	-----
Projected Salary Increases	Varies by Entry Age and Service	
Interment Rate of Return	-----6.90%----- ²⁾	-----
Mortality	Derived using CalPERS Membership Data for all funds ¹⁾	

- ⁽¹⁾ Mortality table was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.
- ⁽²⁾ Net of pension plan investment expenses, including inflation.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2023 valuation were based on the results of a January 2022 actuarial experience study for the period 1997 to 2022. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 6.90% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 6.90 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 6.90 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 6.90 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 7: RETIREMENT PLANS (Continued)

Discount Rate (Continued)

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2023. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2023-24 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds’ asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 ¹	Real Return Years 11+ ¹
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Infrastructure and Forest land	0.00%	0.00%	0.00%
Liquidity	1.00%	0.00%	-0.92%
	<u>100.00%</u>		

¹ An expected inflation of 2.5% and 3.0% used for Years 1-10 and Years 11+, respectively.

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 7: RETIREMENT PLANS (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Local Government’s proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the Local Government’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Safety Plan</u>	<u>Miscellaneous Plan</u>
1% Decrease Net Pension Liability	5.90% \$ 7,544,756	5.90% \$ 5,817,979
Current Discount Rate Net Pension Liability	6.90% \$ 5,155,975	6.90% \$ 3,915,912
1% Increase Net Pension Liability	7.90% \$ 3,203,686	7.90% \$ 2,350,983

Pension Plan Fiduciary Net Position

Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

NOTE 8: OTHER POST EMPLOYMENT BENEFITS

Plan Description

The City participates in the CalPERS medical program as permitted under the Public Employees' Medical and Hospital and Care Act (PEMHCA). As such, the City is obligated to contribute toward the cost of retiree medical coverage for the retiree's lifetime or until coverage is discontinued. Based on CalPERS' requirements and the terms of the PEMHCA resolutions. GASB 75 requires additional disclosure which management has determined to be immaterial.

NOTE 9: RISK MANAGEMENT

Description of Joint Powers Authority

The City is a member of the Northern California Cities Self Insurance Fund a joint powers authority (Authority) for liability insurance and workers' compensation purposes. The following joint venture

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 9: RISK MANAGEMENT (Continued)

disclosures made in compliance with GASB Code Section J50.103:

The Authority is comprised of 20 Northern California Cities and is organized under joint powers agreement pursuant to the California Government Code. The purpose of the Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess liability coverage. Each member City has a representative on the Board of Directors. Officers are elected annually.

General Liability Insurance: Annual deposits are paid by member cities and are adjusted retrospectively to cover costs. Each member city, including Corning, self-insure for the first \$25,000 of each loss. Participating cities shared in loss occurrences in excess of \$25,000 up to \$500,000 for fiscal year 2023. Coverage in excess of \$500,000 is provided through the California Joint Powers Insurance Risk Management Authority, a joint power authority organized to provide excess coverage for its members. Specific coverage includes: comprehensive and general liability, personal injury, contractual liability, errors and omissions, and auto liability.

Worker's Compensation Insurance: Annual deposits are paid by member cities and are adjusted retrospectively to cover costs. The City self insured for the first \$100,000 of each loss. Participating cities shared in loss occurrences in excess of \$100,000 up to \$500,000. For coverage above the \$500,000 the city has purchased excess coverage with limits of \$5,000,000 per occurrence.

Condensed Financial Information of the Authority

Noted below is a condensed balance sheet of the Authorities Combined Worker's Compensation Insurance and Liability Insurance Fund as of June 30, 2023, the most recent available:

Assets	\$ <u>71,377,660</u>
Liabilities	\$ <u>46,831,765</u>
Net Position - Unrestricted	\$ <u>24,545,895</u>

Claims and Judgments

The City accounts for material liability claims and judgment in accordance with GASB Code Section C50.110. When it is probable that a claim liability has been incurred at year end, the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any insurance coverage under its self-insurance program. At June 30, 2023, the City, in the opinion of the City Attorney, had no material claims which would require loss provision in the financial statements. Small dollar claims and judgments are recorded as expenditures when paid.

**CITY OF CORNING, CALIFORNIA
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2023**

NOTE 10: OTHER INFORMATION

Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the appreciable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

Pledged Revenue

<u>Revenue Pledged</u>	<u>Borrowing Fund/Entity - Bond/Loan</u>	<u>Use of Funds</u>	Year of Loan or Year Repayments and/or Interest Payments Began	Original Issue/Loan Amount	Payments Amortized Through
Net Revenues	Sewer and Water Utility / Bond	Refunding Original Bonds	2017	\$ 8,620,000	2048

Subsequent Event

Management has evaluated events subsequent to June 30, 2023 through April 25, 2024, the date on which the financial statements were available for issuance. Management has determined no subsequent events requiring disclosure have occurred.

NOTE 11: NOTES RECEIVABLE

The City engages in programs designed to encourage business enterprises, construction or improvement in low-to-moderate income housing, or other projects. Under these programs, grants or loans are provided with favorable terms to businesses, homeowners or developers who agree to spend these funds in accordance with the City's terms.

Many of the loans are deferred, both principal and interest. It's the City's practice to not accrue interest on the deferred loans until they either mature or are amortized and payments made. Some of the loans have, or may, become uncollectible. As those events occur, the City's practice is to review enforcement action on a case by case basis.

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 12: CONTINGENCIES

The City participates in a number of Federal and State assisted grant programs. These programs are subject to program compliance audits by the grantors. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. While the contingency for un-reimbursed expenditures could potentially be material, the amount, if any, of which may be disallowed by the granting agencies can not be determined at this time.

NOTE 13: Restriction AND DESIGNATIONS OF FUND EQUITY

Under provisions of GASB Code Section 1800.121-123, a City may set up "Restrictions" of Fund Equity to segregate fund balances which are not appropriable for expenditures in future periods, or which are legally set aside for future use. Fund "designations" may also be established to indicate tentative plans for financial resource utilization in future periods. The City Restrictions at June 30, 2023, are outlined below followed by explanations as to the nature and purpose of each Restricted:

<u>Restrictions</u>	<u>General Fund</u>	<u>Enterprise Funds</u>	<u>Fiduciary Funds</u>
Restricted for Contingencies	\$ 625,000	\$ -	\$ -
Restricted for Scholarships	-	-	24,780
Restricted for Library Systems	-	-	222,550
Restricted for Water funds debt service	-	-	230,172
-			
Restricted for Water funds capital improvement/replacement	-	685,227	-
Restricted for Sewer funds capital improvement/replacement	-	734,647	-

Restricted for Contingencies

Amounts Restricted for contingencies represent funds set aside to meet unusual and/or unexpected needs of the City.

Restricted for Scholarships

The Restricted for scholarships represents the funds balance of the JT Levy Trust Fund. Monies in this fund are invested and the earnings are used to fund scholarships to qualifying students residing in the City of Corning.

Restricted for Library System

The Restricted for Library System represents the fund balance of the Ridell Library Trust Fund, which was given to the City specifically for improvement and expansion of the Corning Library branch of the Tehama County Library System.

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 14: DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Beneficiary. Participants' rights under the plan are equal to the fair market value of the deferred account for each participant.

NOTE 15: BUDGETARY PRINCIPLES

The operating budget of the City is adopted by the City Council prior to July 1 each year primarily on a cash basis. The City Manager is authorized to transfer budget amounts between divisions of a department within any fund; however, any revisions that alter the total expenditures of any fund require City Council resolution.

Budget information is adopted and presented for the general, special revenue and capital project funds. The presentations represent original appropriations adjusted for supplemental appropriations, if any, made during the year.

The City does not formally adopt a budget for debt service funds. The bond documents are the controlling factor.

Portions of fund equity are recorded as Restrictions when segregation for future use is necessary and the funds are, therefore, not available for future apportionment or expenditures.

Summary of Differences between Budgetary Basis and Generally Accepted Accounting Principles (GAAP)

The following are the differences between the City's budgetary basis and GAAP:

- A. The City does not budget for accounts payable or intergovernmental payables.
- B. The City does not budget for benefit accruals.
- C. The City does not budget for transfers from the debt service funds when revenue is in excess of debt service requirements.
- D. The City budgets for certain receivables and payables on a cash basis.

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 16: LEASES

Leases Receivable

For the year ended 6/30/2023, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On 07/01/2021, Corning, CA entered into a 240 month lease as Lessor for the use of John Murray Site A & B. An initial lease receivable was recorded in the amount of \$17,065. As of 06/30/2023, the value of the lease receivable is \$15,973. The lessee is required to make annual fixed payments of \$853. The lease has an interest rate of 4.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$15,315, and Corning, CA recognized lease revenue of \$875 during the fiscal year.

On 07/01/2021, Corning, CA entered into a 300 month lease as Lessor for the use of Hangar #1 - Arata. An initial lease receivable was recorded in the amount of \$8,209. As of 06/30/2023, the value of the lease receivable is \$7,690. The lessee is required to make annual fixed payments of \$240. The lessee is required to make annual variable fixed in substance principal and interest payments of \$96. The lease has an interest rate of 2.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$7,552, and Corning, CA recognized lease revenue of \$328 during the fiscal year.

On 04/01/2023, Corning, CA entered into a 240 month lease as Lessor for the use of Hangar #2 - Loewen. An initial lease receivable was recorded in the amount of \$8,568. As of 06/30/2023, the value of the lease receivable is \$8,139. The lessee is required to make annual fixed payments of \$429. The lease has an interest rate of 4.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$8,460, and Corning, CA recognized lease revenue of \$107 during the fiscal year.

On 07/01/2021, Corning, CA entered into a 240 month lease as Lessor for the use of Hangar #3 - Lima. An initial lease receivable was recorded in the amount of \$7,690. As of 06/30/2023, the value of the lease receivable is \$7,236. The lessee is required to make annual fixed payments of \$366. The lease has an interest rate of 4.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$6,922, and Corning, CA recognized lease revenue of \$384 during the fiscal year.

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 16: LEASES (Continued)

Leases Receivable (Continued)

On 07/01/2021, Corning, CA entered into a 300 month lease as Lessor for the use of Hangar #4 - Parker. An initial lease receivable was recorded in the amount of \$7,659. As of 06/30/2023, the value of the lease receivable is \$7,206. The lessee is required to make annual fixed payments of \$240. Additionally, there are annual other reasonably certain payments of \$96. The lease has an interest rate of 2.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$7,046, and Corning, CA recognized lease revenue of \$306 during the fiscal year.

On 07/01/2021, Corning, CA entered into a 300 month lease as Lessor for the use of Hangar #5 - Poisson. An initial lease receivable was recorded in the amount of \$6,000. As of 06/30/2023, the value of the lease receivable is \$5,520. The lessee is required to make annual fixed payments of \$240. The lease has an interest rate of 0.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$5,520, and Corning, CA recognized lease revenue of \$240 during the fiscal year.

On 07/01/2021, Corning, CA entered into a 240 month lease as Lessor for the use of Hangar #6 - Lane/Miller. An initial lease receivable was recorded in the amount of \$7,324. As of 06/30/2023, the value of the lease receivable is \$6,855. The lessee is required to make annual fixed payments of \$366. The lease has an interest rate of 4.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$6,573, and Corning, CA recognized lease revenue of \$376 during the fiscal year.

On 07/01/2021, Corning, CA entered into a 300 month lease as Lessor for the use of Hangar #7 - Poisson. An initial lease receivable was recorded in the amount of \$4,849. As of 06/30/2023, the value of the lease receivable is \$4,722. The lessee is required to make annual fixed payments of \$240. The lease has an interest rate of 2.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$4,447, and Corning, CA recognized lease revenue of \$201 during the fiscal year.

On 07/01/2021, Corning, CA entered into a 240 month lease as Lessor for the use of Hangar #8 - Davies. An initial lease receivable was recorded in the amount of \$7,070. As of 06/30/2023, the value of the lease receivable is \$6,811. The lessee is required to make annual fixed payments of \$366. The lease has an interest rate of 4.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$6,364, and Corning, CA recognized lease revenue of \$353 during the fiscal year.

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 16: LEASES (Continued)

Leases Receivable (Continued)

On 04/01/2023, Corning, CA entered into a 240 month lease as Lessor for the use of Hangar #9 - Wojciechowski. An initial lease receivable was recorded in the amount of \$8,317. As of 06/30/2023, the value of the lease receivable is \$8,317. The lessee is required to make annual fixed payments of \$429. The lease has an interest rate of 4.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$8,213, and Corning, CA recognized lease revenue of \$104 during the fiscal year.

On 12/01/2022, Corning, CA entered into a 240 month lease as Lessor for the use of Hangar #10 - Lima/Becker. An initial lease receivable was recorded in the amount of \$8,238. As of 06/30/2023, the value of the lease receivable is \$7,826. The lessee is required to make annual fixed payments of \$412. The lease has an interest rate of 4.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$7,998, and Corning, CA recognized lease revenue of \$240 during the fiscal year.

On 07/01/2021, Corning, CA entered into a 300 month lease as Lessor for the use of Hangar #11 - Gehret. An initial lease receivable was recorded in the amount of \$5,364. As of 06/30/2023, the value of the lease receivable is \$4,981. The lessee is required to make annual fixed payments of \$240. The lease has an interest rate of 2.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$4,935, and Corning, CA recognized lease revenue of \$215 during the fiscal year.

On 09/01/2022, Corning, CA entered into a 240 month lease as Lessor for the use of Hangar #12 - Dagorett. An initial lease receivable was recorded in the amount of \$8,634. As of 06/30/2023, the value of the lease receivable is \$8,222. The lessee is required to make annual fixed payments of \$412. The lease has an interest rate of 4.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$8,274, and Corning, CA recognized lease revenue of \$360 during the fiscal year.

On 07/01/2021, Corning, CA entered into a 300 month lease as Lessor for the use of Hangar #13 - Sutfin. An initial lease receivable was recorded in the amount of \$6,000. As of 06/30/2023, the value of the lease receivable is \$5,520. The lessee is required to make annual fixed payments of \$240. The lease has an interest rate of 0.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$5,520, and Corning, CA recognized lease revenue of \$240 during the fiscal year.

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 16: LEASES (Continued)

Leases Receivable (Continued)

On 07/01/2021, Corning, CA entered into a 240 month lease as Lessor for the use of Hangar #14 - Rindahl-Katz. An initial lease receivable was recorded in the amount of \$6,994. As of 06/30/2023, the value of the lease receivable is \$6,415. The lessee is required to make annual fixed payments of \$298. The lessee is required to make annual variable fixed in substance principal and interest payments of \$96. The lease has an interest rate of 2.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$6,280, and Corning, CA recognized lease revenue of \$357 during the fiscal year.

On 07/01/2021, Corning, CA entered into a 300 month lease as Lessor for the use of Hangar #15 - Freer. An initial lease receivable was recorded in the amount of \$7,682. As of 06/30/2023, the value of the lease receivable is \$7,227. The lessee is required to make annual fixed payments of \$240. The lessee is required to make annual variable fixed in substance principal and interest payments of \$96. The lease has an interest rate of 2.0000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$7,067, and Corning, CA recognized lease revenue of \$307 during the fiscal year.

On 07/01/2021, Corning, CA entered into a 300 month lease as Lessor for the use of CUHS - Ground Lease Solar. An initial lease receivable was recorded in the amount of \$45,000. As of 06/30/2023, the value of the lease receivable is \$41,400. The lessee is required to make annual fixed payments of \$1,800. The lease has an interest rate of 0.0000%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$41,400, and Corning, CA recognized lease revenue of \$1,800 during the fiscal year.

On 07/01/2021, Corning, CA entered into a 180 month lease as Lessor for the use of Oilar - Ground Lease. An initial lease receivable was recorded in the amount of \$20,070. As of 06/30/2023, the value of the lease receivable is \$17,394. The lessee is required to make annual fixed payments of \$1,338. The lease has an interest rate of 0.0000%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$17,203, and Corning, CA recognized lease revenue of \$1,433 during the fiscal year. The lessee has 2 extension option(s), each for 60 months.

On 07/01/2021, Corning, CA entered into a 420 month lease as Lessor for the use of Cell Tower Lease - ATT. An initial lease receivable was recorded in the amount of \$1,107,000. As of 06/30/2023, the value of the lease receivable is \$1,071,900. The lessee is required to make monthly fixed payments of \$2,700. The lease has an interest rate of 0.0000%. The Equipment estimated

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 16: LEASES (Continued)

Leases Receivable (Continued)

useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$1,043,883, and Corning, CA recognized lease revenue of \$31,558 during the fiscal year.

On 07/01/2021, Corning, CA entered into a 180 month lease as Lessor for the use of Cell Tower Lease - Digital Path. An initial lease receivable was recorded in the amount of \$153,912. As of 06/30/2023, the value of the lease receivable is \$138,083. The lessee is required to make monthly fixed payments of \$975. The lease has an interest rate of 3.0000%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$133,459, and Corning, CA recognized lease revenue of \$10,227 during the fiscal year. The lessee has 2 extension option(s), each for 60 months.

On 07/01/2021, Corning, CA entered into a 300 month lease as Lessor for the use of Cell Tower Lease - Verizon. An initial lease receivable was recorded in the amount of \$356,582. As of 06/30/2023, the value of the lease receivable is \$330,665. The lessee is required to make annual fixed payments of \$16,200. The lease has an interest rate of 2.0000%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$328,112, and Corning, CA recognized lease revenue of \$14,235 during the fiscal year. The lessee has 4 extension option(s), each for 60 months.

On 07/01/2021, Corning, CA entered into a 660 month lease as Lessor for the use of Bell Carter - Ground Lease. An initial lease receivable was recorded in the amount of \$555,005. As of 06/30/2023, the value of the lease receivable is \$534,823. The lessee is required to make monthly fixed payments of \$0. The lessee is required to make annual variable principal and interest payments of \$10,091 based on a CPI index of 0.00%. The lease has an interest rate of 0.0000%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$534,639, and Corning, CA recognized lease revenue of \$10,183 during the fiscal year. The lessee has 10 extension option(s), each for 60 months.

On 07/01/2021, Corning, CA entered into a 120 month lease as Lessor for the use of McBrayer - Transportation Center Lease. An initial lease receivable was recorded in the amount of \$94,484. As of 06/30/2023, the value of the lease receivable is \$78,226. The lessee is required to make semi-annual fixed payments of \$4,800. The lease has an interest rate of 2.5000%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2023 was \$75,587, and Corning, CA recognized lease revenue of \$9,448 during the fiscal year.

CITY OF CORNING, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 16: LEASES (Continued)

Leases Receivable (Continued)

Principal and Interest Expected to Maturity:

<u>Fiscal Year</u>	<u>Governmental Activities</u>		
	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>
2024	\$ 75,616	\$ 16,001	\$ 91,617
2025	77,179	15,339	92,518
2026	78,772	14,544	93,316
2027	80,068	13,714	93,782
2028	81,263	12,851	94,114
2029 - 2033	400,821	50,576	451,397
2034 - 2038	366,420	30,306	396,726
2039 - 2043	334,420	15,017	349,436
2044 - 2048	292,143	3,637	295,780
2049 - 2053	212,455	-	212,455
2054 - 2058	150,355	-	150,355
2059 - 2063	50,455	-	50,455
2064 - 2068	50,455	-	50,455
2069 - 2073	50,455	-	50,455
2074 - 2076	30,273	-	30,273

NOTE 16: PRIOR PERIOD ADJUSTMENTS

The city made several prior period adjustments, the most significant ones to revise their reporting of GASB 68 amounts and to implement GASB 87 reporting of leases. The affect of the adjustments were as follows:

GASB 68 adjustment and restatement of prior year’s deferred incflows and outflows of resources; General Fund (\$666,000), Water Fund (140,000), Sewer Fund (\$140,000) and Transportation Fund (\$4,000).

GASB 87 implementation for leases; General Fund (\$666,000), Water Fund (140,000), Sewer Fund (\$140,000) and Transportation Fund (\$4,000).

CITY OF CORNING
SCHEDULES TO FOOTNOTES
Budget and Appropriations
Fiscal Year Ended June 30, 2023

NOTE 17 OTHER DISCLOSURES

SCHEDULE OF EXCESS EXPENDITURES:

Fund	Appropriations	Expenditures	Excess Expenditures	Additional Revenue Received
Proposition 30 Police Grant (Fund 73)	\$ -	\$ 520	520	
Public Works Equipment Replacement (Fund 78)	39,583	92,575	52,992	-
Business License ADA (Fund 80)	700	948	248	-
2023 CHIP Maintenance Fund (Fund 125)	-	16,500	16,500	-
Promise Grant Fund (Fund 160)	-	50,426	50,426	-
CDBG CV 1,2,3 Grant (Fund 180)	65,000	65,071	71	-
Prevention Neighborhood Grant (Fund 193)	-	147	147	-
Proposition 47 Grant (Fund 195)	180,700	1,133,064	952,364	-
CDBG Economic Reuse (Fund 325)	-	1,663	1,663	-
Lighting and Landscaping Fund (Fund 701)	1,386	1,564	178	-
Lighting and Landscaping Fund (Fund 702)	4,711	6,862	2,151	-
Lighting and Landscaping Fund (Fund 704)	3,961	5,389	1,428	-
Lighting and Landscaping Fund (Fund 705)	-	116	116	-
	\$ 296,041	\$ 1,374,845	\$ 1,078,804	\$ -

SCHEDULE OF DEFICIT FUND BALANCES:

Fund	Deficit Fund Balance
ACO Replacement Fund (Fund 72)	\$ (520)
Police K-9 Fund (Fund 74)	(14,506)
Safe Routes to Schools (Fund 118)	(47,798)
2023 CHIP Maintenance Fund (Fund 125)	(16,497)
CDBG CV 1,2,3 Grant (Fund 180)	(69,361)
Proposition 47 Grant (Fund 195)	(170,720)
Street Scape Fund (Fund 359)	(67,714)
Prop68 Park Plaza and Rec Ctr (Fund 360)	(923,920)
Lighting and Landscaping Fund (Fund 701)	(2,210)
Lighting and Landscaping Fund (Fund 705)	(200)
	\$ (1,313,446)

CITY OF CORNING
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2023

NOTE 17 OTHER DISCLOSURES

DEBT SERVICE REQUIREMENTS

2017 Refunding Bonds
Installment Payment Schedule for Bonded Debt

Water Refunding		Sewer Refunding	
Principal Amount	Maturity Date (September 1)	Principal Amount	Maturity Date (September 1)
\$ 185,000	2024	\$ 160,000	2024
190,000	2025	165,000	2025
200,000	2026	175,000	2026
205,000	2027	180,000	2027
215,000	2028	190,000	2028
85,000	2029	165,000	2029
90,000	2030	170,000	2030
90,000	2031	175,000	2031
95,000	2032	180,000	2032
100,000	2033	185,000	2033
100,000	2034	195,000	2034
105,000	2035	200,000	2035
110,000	2036	205,000	2036
115,000	2037	215,000	2037
120,000	2038	220,000	2038
125,000	2039	230,000	2039
130,000	2040	240,000	2040
155,000	2041	160,000	2041
160,000	2042	165,000	2042
<u>\$ 2,575,000</u>		175,000	2043
		180,000	2044
		185,000	2045
		<u>195,000</u>	2046
		\$ <u>4,310,000</u>	

Pacific Gas and Electric Lease

\$ 32,894	\$ -	\$ -	\$ 32,894	2024
32,893	-	-	32,893	2025
32,893	-	-	32,893	2026
32,893	-	-	32,893	2027
32,893	-	-	32,893	2028
32,893	-	-	32,893	2029
32,893	-	-	32,893	2030
32,893	-	-	32,893	2031
1,104	-	-	1,105	2032
Total \$ <u>264,249</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>264,250</u>	

(Continued on the following page)

CITY OF CORNING
NOTES TO BASIC FINANCIAL STATEMENTS
 June 30, 2023

NOTE 17 OTHER DISCLOSURES

DEBT SERVICE REQUIREMENTS, Continued

Pension Obligation Bonds				
General Fund Principal Amount	Water Fund Principal Amount	Sewer Fund Principal Amount	Total Principal Amount	Maturity Date (Quarterly)
\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	2023
\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	
Fire Truck Lease				
\$ 63,536	\$ -	\$ -	\$ 63,536	2024
45,698	-	-	45,698	2025
\$ <u>109,234</u>	\$ _____ -	\$ _____ -	\$ <u>109,234</u>	
Total \$ <u>109,234</u>	\$ _____ -	\$ _____ -	\$ <u>109,234</u>	

OTHER DISCLOSURES

Generally accepted accounting principles require disclosure, as part of the Combined Statements - Overview, of certain information concerning individual funds including:

- A. Segment information for certain individual Enterprise Funds. This requirement is met by Note 1.
- B. Summary disclosure of debt service requirements to maturity of all types of outstanding debt. This requirement is met by Note 2.
- C. Summary disclosure of changes in General Fixed Assets by major asset class. This requirement is met by Note 2.
- D. Summary disclosure of changes in General Long-Term Debt. This requirement is met by Note 2.
- E. Excess of expenditures over appropriations in individual funds for the year ended June 30, 2023 are reflected in a schedule following the individual fund and account group statements beginning at page 91.
- F. Deficit fund balances or retained earnings balances of individual funds at June 30, 2023 are reflected in a schedule following the individual fund and account group statements beginning at page 91.
- G. The City uses interfund transfers to supplant the budgets of various funds using general and enterprise surpluses to offset funding shortfalls with Council approval.
- H. Deficit fund balances of \$6,477, \$5,757 and \$24,198 exist in the CDBG Program Income Special Revenue Fund, the Housing Element Special Revenue Fund and the 08/09 CDBG Special Revenue Funds respectively. These deficits represent expenditures on housing project maintenance in excess of corresponding revenues. The Deficits will be liquidated with future CDBG funding.

REQUIRED SUPPLEMENTARY INFORMATION

Unaudited

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CITY OF CORNING
REQUIRED SUPPLEMENTARY INFORMATION - PENSION AND OPEB
As of June 30, 2023
Last 10 Years*

**CalPERS Public Agency Cost-Sharing Multiple-Employer Defined
Benefit Pension Plan**

**Schedule of the City's Proportionate Share of the Net Pension
Liability and Related Ratios**

	Miscellaneous Plan							
	2015	2016	2017	2018	2019	2020	2022	2023
City's proportion of the net pension liability	0.67300%	0.72900%	0.07133%	0.06801%	0.06690%	0.06499%	0.07836%	0.07836%
City's proportionate share of the net pension liability	\$ 1,664,056	\$ 1,659,380	\$ 2,374,865	\$ 2,785,236	\$ 2,681,232	\$ 3,135,336	\$ 3,305,157	\$ 3,305,157
City's covered-employee payroll	\$ 997,095	\$ 1,098,749	\$ 1,065,971	\$ 1,189,563	\$ 1,076,537	\$ 1,122,396	\$ 1,054,031	\$ 1,054,031
City's proportionate share of the net pension liability as a percentage of its covered employee payroll	166.89%	151.02%	222.79%	234.14%	249.06%	279.34%	313.57%	313.57%
Plan fiduciary net position as a percentage of the total pension liability	83.03%	83.37%	74.45%	61.01%	63.03%	64.22%	69.12%	69.12%

	2015	2016	2017	2018	2019	2020	2022	2023
Contractually required contribution (actuarially determined)	\$ 139,815	\$ 157,234	\$ 140,429	\$ 233,661	\$ 88,681	\$ 93,574	\$ 99,174	\$ 99,174
Contributions in relation to the contractually required contributions	(139,815)	(157,234)	(140,429)	(233,661)	(88,681)	(93,574)	(99,174)	(99,174)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 997,095	\$ 1,098,749	\$ 1,065,971	\$ 1,189,563	\$ 1,076,537	\$ 1,122,396	\$ 1,054,031	\$ 1,054,031
Contributions as a percentage of covered-employee payroll	14.02%	14.31%	13.17%	19.64%	8.24%	8.34%	9.41%	9.41%

* - Fiscal year 2015 was the 1st year of implementation, therefore only four years are shown.

SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The City's management has determined that there is no material on-going obligation for Post-Employment Benefits, therefore no historical or prospective data in accordance with GASB 75 is presented.

**CITY OF CORNING
REQUIRED SUPPLEMENTARY INFORMATION - PENSION AN
As of June 30, 2023
Last 10 Years***

**CalPERS Public Agency Cost-Sharing Multiple-Employer Defined
Benefit Pension Plan**

**Schedule of the City's Proportionate Share of the Net Pension
Liability and Related Ratios**

	Safety Plan									
	2015	2016	2017	2018	2019	2020	2022	2023		
City's proportion of the net pension liability	0.56370%	0.64300%	0.66500%	0.06750%	0.06460%	0.06424%	0.06636%	0.06639%		
City's proportionate share of the net pension liability	\$ 2,114,718	\$ 2,342,743	\$ 3,145,751	\$ 3,645,767	\$ 3,593,781	\$ 4,162,284	\$ 4,421,156	\$ 4,421,156		
City's covered-employee payroll	\$ 1,920,580	\$ 1,859,893	\$ 1,812,955	\$ 1,935,497	\$ 1,988,249	\$ 1,959,986	\$ 1,842,695	\$ 1,842,695		
City's proportionate share of the net pension liability as a percentage of its covered employee payroll	110.11%	125.96%	173.52%	188.36%	180.75%	212.36%	239.93%	239.93%		
Plan fiduciary net position as a percentage of the total pension liability	81.41%	79.81%	72.41%	70.68%	73.03%	74.98%	77.25%	77.25%		

Notes to Schedule:
Change of benefit terms — In 2023, there were no changes to the benefit terms.
Changes in assumptions — In 2023, there were certain changes in assumptions. See Note 3 for current changes.

Schedule of Plan Contributions

Contractually required contribution (actuarially determined)
Contributions in relation to the contractually required contributions
Contribution deficiency (excess)
City's covered-employee payroll
Contributions as a percentage of covered-employee payroll

	2015	2016	2017	2018	2019	2020	2022	2023
Contractually required contribution (actuarially determined)	\$ 451,833	\$ 601,159	\$ 435,601	\$ 273,815	\$ 249,470	\$ 285,352	\$ 314,668	\$ 314,668
Contributions in relation to the contractually required contributions	(451,833)	(601,159)	(435,601)	(273,815)	(249,470)	(285,352)	(314,668)	(314,668)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered-employee payroll	\$ 1,920,580	\$ 1,859,893	\$ 1,812,955	\$ 1,935,497	\$ 1,988,249	\$ 1,959,986	\$ 1,842,695	\$ 1,842,695
Contributions as a percentage of covered-employee payroll	23.53%	32.32%	24.03%	14.15%	12.55%	14.56%	17.08%	17.08%

* - Fiscal year 2015 was the 1st year of implementation, therefore only four years are shown.

SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOY

The City's management has determined that there is no material on-going therefore no historical or prospective data in accordance with GASB 75

**CITY OF CORNING
GENERAL FUND**

**Statement of Revenues, Expenditures,
and Changes in Fund Balances - Budget and Actual
For the Fiscal Years ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Resources (Inflows):				
Taxes				
Sales and Use Taxes	\$ 5,338,000	5,338,000	\$ 5,198,690	\$ (139,310)
Property Taxes	716,200	716,200	828,291	112,091
Franchise Taxes	173,500	173,500	193,268	19,768
Vehicle License Fees	847,000	847,000	855,540	8,540
Transient Occupancy Tax	570,000	570,000	534,313	(35,687)
Other Taxes	20,000	20,000	26,650	6,650
Total Taxes	7,664,700	7,664,700	7,636,752	(27,948)
Intergovernmental Revenues	612,800	612,800	863,121	250,321
Interest	10,000	10,000	67,490	57,490
Licenses and Permits	172,200	172,200	198,631	26,431
Miscellaneous	345,900	345,900	274,628	(71,272)
Other Financing Sources:				
Operating Transfers In	250,000	250,000	250,000	-
Amount Available for Appropriation	9,055,600	9,055,600	9,290,622	235,022
Charges to Appropriations (Outflows):				
City Council				
Personnel Services	19,400	19,400	19,377	23
Material and Supplies	1,850	1,850	800	1,050
Other Services and Charges	13,100	13,100	8,270	4,830
Total City Council	34,350	34,350	28,447	5,903
City Administration				
Personnel Services	179,263	179,263	201,383	(22,120)
Material and Supplies	2,200	2,200	1,645	555
Other Services and Charges	5,200	5,200	4,161	1,039
Total City Administration	186,663	186,663	207,189	(20,526)
City Clerk				
Personnel Services	4,550	4,550	4,498	52
Material and Supplies	19,600	19,600	12,465	7,135
Other Services and Charges	600	600	-	600
Total City Clerk	24,750	24,750	16,963	7,787
City Treasurer				
Personnel Services	650	650	645	5
Material and Supplies	-	-	-	-
Other Services and Charges	-	-	-	-
Total City Treasurer	650	650	645	5
City Finance Department				
Personnel Services	34,052	34,052	31,503	2,549
Material and Supplies	49,250	49,250	58,410	(9,160)
Other Services and Charges	2,000	2,000	520	1,480
Total City Finance Department	85,302	85,302	90,433	(5,131)

(Continued)

See accompanying footnotes to
the basic financial statements.

CITY OF CORNING
and Changes in Fund Balances - Budget and Actual
For the Fiscal Years ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
General Government				
Personnel Services	781,085	781,085	787,594	(6,509)
Material and Supplies	518,569	518,569	449,047	69,522
Other Services and Charges	18,950	18,950	3,215	15,735
Total General Government	<u>1,318,604</u>	<u>1,318,604</u>	<u>1,239,856</u>	<u>78,748</u>
Legal Services				
Other Services and Charges	91,200	91,200	89,679	1,521
Total Legal Services	<u>91,200</u>	<u>91,200</u>	<u>89,679</u>	<u>1,521</u>
Police				
Personnel Services	2,332,145	2,332,145	2,037,361	294,784
Material and Supplies	68,750	68,750	77,468	(8,718)
Other Services and Charges	64,720	64,720	79,592	(14,872)
Total Police	<u>2,465,615</u>	<u>2,465,615</u>	<u>2,194,421</u>	<u>271,194</u>
Police Dispatch				
Personnel Services	609,566	609,566	645,342	(35,776)
Material and Supplies	45,780	45,780	39,517	6,263
Other Services and Charges	24,600	24,600	24,051	549
Total Police Dispatch	<u>679,946</u>	<u>679,946</u>	<u>708,910</u>	<u>(28,964)</u>
Animal Control				
Personnel Services	90,152	90,152	88,865	1,287
Material and Supplies	52,500	52,500	46,977	5,523
Other Services and Charges	4,750	4,750	7,637	(2,887)
Total Animal Control	<u>147,402</u>	<u>147,402</u>	<u>143,479</u>	<u>3,923</u>
Fire				
Personnel Services	616,958	616,958	642,145	(25,187)
Material and Supplies	85,900	85,900	80,083	5,817
Other Services and Charges	32,600	32,600	24,672	7,928
Total Fire	<u>735,458</u>	<u>735,458</u>	<u>746,900</u>	<u>(11,442)</u>
Streets				
Personnel Services	15,296	15,296	33,522	(18,226)
Material and Supplies	-	-	105,658	(105,658)
Other Services and Charges	-	-	-	-
Total Streets	<u>15,296</u>	<u>15,296</u>	<u>139,180</u>	<u>(123,884)</u>
Library				
Personnel Services	-	-	5,511	(5,511)
Material and Supplies	14,400	14,400	38,118	(23,718)
Other Services and Charges	750	750	1,199	(449)
Total Library	<u>15,150</u>	<u>15,150</u>	<u>44,828</u>	<u>(29,678)</u>
Theater				
Personnel Services	-	-	-	-
Material and Supplies	25,700	25,700	23,724	1,976
Other Services and Charges	-	-	-	-
Total Theater	<u>25,700</u>	<u>25,700</u>	<u>23,724</u>	<u>1,976</u>

(Continued)

See accompanying footnotes to
the basic financial statements.

**CITY OF CORNING
GENERAL FUND**

**Statement of Revenues, Expenditures,
and Changes in Fund Balances - Budget and Actual
For the Fiscal Years ended June 30, 2023**

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final		
Parks and Recreation				
Personnel Services	352,159	352,159	304,067	48,092
Material and Supplies	490,500	490,500	181,453	309,047
Other Services and Charges	<u>1,500</u>	<u>1,500</u>	<u>1,560</u>	<u>(60)</u>
Total Parks and recreation	<u>844,159</u>	<u>844,159</u>	<u>487,080</u>	<u>357,079</u>
Economic Development				
Personnel Services	-	-	-	-
Material and Supplies	21,000	21,000	21,000	-
Other Services and Charges	<u>12,500</u>	<u>12,500</u>	<u>16,500</u>	<u>(4,000)</u>
Total Economic Development	<u>33,500</u>	<u>33,500</u>	<u>37,500</u>	<u>(4,000)</u>
Debt Service	648,656	648,656	-	648,656
Capital Outlay	2,785,272	2,785,272	2,032,290	752,982
Operating Transfer Out	<u>(311,650)</u>	<u>(311,650)</u>	<u>961,832</u>	<u>650,182</u>
 Total Charges to Appropriations	 <u>9,826,023</u>	 <u>9,826,023</u>	 <u>9,193,356</u>	 <u>2,556,331</u>
 Excess (Deficiency) of Resources Over Appropriations	 \$ <u>(770,423)</u>	 <u>(770,423)</u> \$	 <u>97,266</u> \$	 <u>2,791,353</u>

SUPPLEMENTARY INFORMATION

CITY OF CORNING
GENERAL FUND
Balance Sheet
June 30, 2023

Exhibit A-1

	<u>General Fund</u>
ASSETS	
Cash and Investments	\$ 3,194,898
Interest Receivable	78,309
Accounts Receivable	-
Notes Receivable (C.D.B.G.)	-
Receivable from Other Governments	480,461
Interfund Loans Receivable	-
Other Receivable	-
Inventory	-
Due From Other Funds	<u>1,792,300</u>
 Total Assets	 \$ <u><u>5,545,968</u></u>
LIABILITIES	
Accounts Payable	\$ 72,099
Accrued Wages/Payroll Taxes	22,697
Contract Retentions	-
Accrued Interest Payable	<u>1,794</u>
Total Liabilities	<u>96,590</u>
DEFERRED INFLOWS OF RESOURCES:	
Deferred Revenue - Business Licenses	<u>16,399</u>
Total Deferred Inflows of Resources	<u>16,399</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>112,989</u>
FUND BALANCES	
Reserved for contingencies	625,000
Assigned	1,911,092
Unassigned	<u>2,896,887</u>
Total Fund Balances	<u>5,432,979</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 \$ <u><u>5,545,968</u></u>

**CITY OF CORNING
GENERAL FUND**

Exhibit A-2

**Statement of Revenues, Expenditures, and Changes in Fund Balance
Year Ended June 30, 2023**

	General Fund
REVENUES:	
Taxes	\$ 7,636,752
Intergovernmental Revenues	863,121
Interest	67,490
Licenses and Permits	198,631
Miscellaneous	274,628
Total Revenues	<u>9,040,622</u>
EXPENDITURES:	
Current:	
General Government:	
City Council	28,447
City Administration	207,189
City Clerk	16,963
City Treasurer	645
City Finance Department	90,433
General Government	<u>1,239,856</u>
Total General Government	<u>1,583,533</u>
Public Safety and Judiciary:	
Legal Services	89,679
Police	2,194,421
Police Dispatch	708,910
Animal Control	143,479
Fire	746,900
Total Public Safety and Judiciary	<u>3,883,389</u>
Transportation:	
Airport	
Streets	<u>139,180</u>
Total Transportation	<u>139,180</u>
Cultural, Parks and Recreation	
Library	44,828
Theater	23,724
Parks and Recreation	487,080
Total Cultural, Parks and Recreation	<u>555,632</u>

Continued on the following page

CITY OF CORNING
GENERAL FUND
Statement of Revenues, Expenditures, and Changes in Fund Balance
Year Ended June 30, 2023

Exhibit A-2

**General
Fund**

EXPENDITURES (Continued):

Community/Economic Development:	
Economic Development	37,500
Total Community/Economic Development	<u>37,500</u>
Debt Service:	
Principal	-
Interest and Other Charges	-
Capital Outlay	<u>2,032,290</u>
Total Expenditures	<u>8,231,524</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>809,098</u>
OTHER FINANCING SOURCES (USES)	
Transfers In	250,000
Transfers Out	<u>(961,832)</u>
Total Other Financing Sources and Uses	<u>(711,832)</u>
Net Change in Fund Balances	<u>97,266</u>
Fund Balance-Beginning as previously stated	5,335,713
As previously stated	
Prior period Adjustment	<u>-</u>
Fund Balance-Beginning	5,335,713
Residual Equity Transfers - In	-
Residual Equity Transfers - Out	<u>-</u>
Fund Balance-Ending	<u>\$ 5,432,979</u>

CITY OF CORNING
SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2023

	ARPA COVID Relief Fund (Fund 005)	Animal Control Officer Replacement Fund (Fund 072)	Business License ADA (Fund 080)
ASSETS			
Cash and Cash Equivalents	\$ 1,873,557	\$ -	\$ 12,979
Interest receivable	-	-	-
Intergovernmental Receivable	-	-	-
Due from other funds	-	-	-
Loans Receivable (CDBG)	-	-	-
Total Assets	\$ <u>1,873,557</u>	\$ <u>-</u>	\$ <u>12,979</u>
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ 19
Contract Retentions	-	-	-
Due to Other Funds	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>19</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Loans Receivable	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>19</u>
Fund Balances (Deficit):			
Unreserved, undesignated	<u>1,873,557</u>	<u>-</u>	<u>12,960</u>
Total Fund Balance (Deficit)	<u>1,873,557</u>	<u>-</u>	<u>12,960</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ <u>1,873,557</u>	\$ <u>-</u>	\$ <u>12,979</u>

(Continued)

SB-1 Road Fund (Fund 106)	RSTP Streets Fund (Fund 108)	Special Gas Tax Improvement #2105 Fund (Fund 109)	Special Gas Tax Improvement #2106 Fund (Fund 110)	Subtotal (Carried forward to next page)
\$ 390,277	\$ 1,066,038	\$ 2,511	\$ 5,444	\$ 3,350,806
-	-	-	-	-
32,188	-	4,107	2,743	39,038
-	-	-	-	-
-	-	-	-	-
<u>\$ 422,465</u>	<u>\$ 1,066,038</u>	<u>\$ 6,618</u>	<u>\$ 8,187</u>	<u>\$ 3,389,844</u>
\$ -	\$ 1,451	\$ 3,271	\$ 252	\$ 4,993
-	-	-	-	-
-	-	-	-	-
-	1,451	3,271	252	4,993
-	-	-	-	-
-	1,451	3,271	252	4,993
<u>422,465</u>	<u>1,064,587</u>	<u>3,347</u>	<u>7,935</u>	<u>3,384,851</u>
<u>422,465</u>	<u>1,064,587</u>	<u>3,347</u>	<u>7,935</u>	<u>3,384,851</u>
<u>\$ 422,465</u>	<u>\$ 1,066,038</u>	<u>\$ 6,618</u>	<u>\$ 8,187</u>	<u>\$ 3,389,844</u>

See accompanying notes to
the basic financial statements

CITY OF CORNING
SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2023

	Subtotal (Brought forward)	Special Gas Tax Improvement #2107 Fund (Fund 111)	Special Gas Tax Improvement #2107.5 Fund (Fund 112)
ASSETS			
Cash and Cash Equivalents	\$ 3,350,806	\$ 10,076	\$ 14,257
Interest receivable	-	-	-
Intergovernmental Receivable	39,038	5,640	-
Due from other funds	-	-	-
Loans Receivable (CDBG)	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ <u>3,389,844</u>	\$ <u>15,716</u>	\$ <u>14,257</u>
LIABILITIES			
Accounts Payable	\$ 4,993	\$ -	\$ -
Contract Retentions	-	-	-
Due to Other Funds	-	-	-
Total Liabilities	<u>4,993</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Loans Receivabl	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>4,993</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit):			
Unreserved, undesignated	<u>3,384,851</u>	<u>15,716</u>	<u>14,257</u>
Total Fund Balance (Deficit)	<u>3,384,851</u>	<u>15,716</u>	<u>14,257</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ <u>3,389,844</u>	\$ <u>15,716</u>	\$ <u>14,257</u>

(Continued)

<u>Local Transportation Fund (Fund 114)</u>	<u>Special Gas Tax Improvement # 2103 Fund (Fund 115)</u>	<u>Traffic Mitigation Fund (Fund 116)</u>	<u>Safe Routes to Schools Fund (Fund 118)</u>	<u>Subtotal (Carried forward to next page)</u>
\$ 657,119	\$ 38,125	\$ 789,623	\$ -	\$ 4,860,006
-	-	-	-	-
-	5,942	-	-	50,620
-	-	-	-	-
-	-	-	-	-
<u>\$ 657,119</u>	<u>\$ 44,067</u>	<u>\$ 789,623</u>	<u>\$ -</u>	<u>\$ 4,910,626</u>
\$ 25,570	\$ 2,138	\$ -	\$ 6,812	\$ 39,513
-	-	-	-	-
-	-	-	40,986	40,986
<u>25,570</u>	<u>2,138</u>	<u>-</u>	<u>47,798</u>	<u>80,499</u>
-	-	-	-	-
<u>25,570</u>	<u>2,138</u>	<u>-</u>	<u>47,798</u>	<u>80,499</u>
<u>631,549</u>	<u>41,929</u>	<u>789,623</u>	<u>(47,798)</u>	<u>4,830,127</u>
<u>631,549</u>	<u>41,929</u>	<u>789,623</u>	<u>(47,798)</u>	<u>4,830,127</u>
<u>\$ 657,119</u>	<u>\$ 44,067</u>	<u>\$ 789,623</u>	<u>\$ -</u>	<u>\$ 4,910,626</u>

See accompanying notes to
the basic financial statements

CITY OF CORNING
SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2023

	<u>Subtotal (Brought forward)</u>	<u>Special Gas Traffic Construction (Fund 121)</u>	<u>LIHEAP Fund (Fund 154)</u>
ASSETS			
Cash and Cash Equivalents	\$ 4,860,006	\$ 26,819	\$ -
Interest receivable	-	-	-
Intergovernmental Receivable	50,620	-	-
Due from other funds	-	-	-
Loans Receivable (CDBG)	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	\$ <u>4,910,626</u>	\$ <u>26,819</u>	\$ <u>-</u>
LIABILITIES			
Accounts Payable	\$ 39,513	\$ -	\$ -
Contract Retentions	-	-	-
Due to Other Funds	<u>40,986</u>	<u>-</u>	<u>16,497</u>
Total Liabilities	<u>80,499</u>	<u>-</u>	<u>16,497</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Loans Receivable	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>80,499</u>	<u>-</u>	<u>16,497</u>
Fund Balances (Deficit):			
Unreserved, undesignated	<u>4,830,127</u>	<u>26,819</u>	<u>(16,497)</u>
Total Fund Balance (Deficit)	<u>4,830,127</u>	<u>26,819</u>	<u>(16,497)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ <u>4,910,626</u>	\$ <u>26,819</u>	\$ <u>-</u>

(Continued)

	Rogers Restoration (Fund 130)	SB-2 Grant (Fund 155)	Promise Grant (Fund 160)	Police Grant (Fund 160)	Abandoned Vehicle Grant (Fund 170)	Subtotal (Carried forward to next page)
\$	2,018	\$ 7,514	\$ 86,057	\$ 11,910	\$ 36,621	\$ 5,030,945
	-	-	-	-	-	-
	-	17,899	-	-	-	68,519
	-	-	-	-	-	-
	-	-	-	-	-	-
\$	<u>2,018</u>	<u>\$ 25,413</u>	<u>\$ 86,057</u>	<u>\$ 11,910</u>	<u>\$ 36,621</u>	<u>\$ 5,099,464</u>
\$	-	\$ -	\$ -	\$ -	\$ -	\$ 39,513
	-	-	-	-	-	-
	-	-	-	-	-	57,483
	-	-	-	-	-	96,996
	-	-	-	-	-	-
	-	-	-	-	-	96,996
	<u>2,018</u>	<u>25,413</u>	<u>86,057</u>	<u>11,910</u>	<u>36,621</u>	<u>5,002,468</u>
	<u>2,018</u>	<u>25,413</u>	<u>86,057</u>	<u>11,910</u>	<u>36,621</u>	<u>5,002,468</u>
\$	<u>2,018</u>	<u>\$ 25,413</u>	<u>\$ 86,057</u>	<u>\$ 11,910</u>	<u>\$ 36,621</u>	<u>\$ 5,099,464</u>

See accompanying notes to
the basic financial statements

CITY OF CORNING
SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2023

	Subtotal (Brought forward)	CDBG CV 1,2,3 Grant (Fund 180)	Homeland Security (Fund 189)
ASSETS			
Cash and Cash Equivalents	\$ 5,030,945	\$ -	\$ -
Interest receivable	-	-	-
Intergovernmental Receivable	68,519	-	-
Due from other funds	-	-	-
Loans Receivable (CDBG)	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	\$ <u>5,099,464</u>	\$ <u>-</u>	\$ <u>-</u>
LIABILITIES			
Accounts Payable	\$ 39,513	\$ 7,821	\$ -
Contract Retentions	-	-	-
Due to Other Funds	<u>57,483</u>	<u>61,540</u>	<u>-</u>
Total Liabilities	<u>96,996</u>	<u>69,361</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Loans Receivabl	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>96,996</u>	<u>69,361</u>	<u>-</u>
Fund Balances (Deficit):			
Unreserved, undesignated	<u>5,002,468</u>	<u>(69,361)</u>	<u>-</u>
Total Fund Balance (Deficit)	<u>5,002,468</u>	<u>(69,361)</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ <u>5,099,464</u>	\$ <u>-</u>	\$ <u>-</u>

(Continued)

<u>Prop 47 Cycle 1 Grant (Fund 192)</u>	<u>Promotion Neighborhood Grant (Fund 193)</u>	<u>Prop 47 Grant (Fund 195)</u>	<u>2013 Home Loan Fund (Fund 320, 828)</u>	<u>SALDO Home Loan Fund (Fund 321, 825)</u>	<u>Subtotal (Carried forward to next page)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,030,945
-	-	-	-	1,608,750	1,608,750
-	-	633,804	-	-	702,323
-	-	-	-	-	-
-	-	-	110,612	3,900,000	4,010,612
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 633,804</u>	<u>\$ 110,612</u>	<u>\$ 5,508,750</u>	<u>\$ 11,352,630</u>
\$ -	\$ -	\$ 58,370	\$ -	\$ -	\$ 105,704
-	-	-	-	-	-
-	-	746,154	-	-	865,177
-	-	804,524	-	-	970,881
-	-	-	110,612	5,508,750	5,619,362
-	-	804,524	110,612	5,508,750	6,590,243
-	-	(170,720)	-	-	4,762,387
-	-	(170,720)	-	-	4,762,387
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 633,804</u>	<u>\$ 110,612</u>	<u>\$ 5,508,750</u>	<u>\$ 11,352,630</u>

See accompanying notes to
the basic financial statements

CITY OF CORNING
SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2023

	Subtotal (Brought forward)	CDBG 1987 Loan Fund (Fund 323, 820)	CDBG 1990 Loan Fund (Fund 324,821)
ASSETS			
Cash and Cash Equivalents	\$ 5,030,945	\$ 64,974	\$ 19,687
Interest receivable	1,608,750	-	-
Intergovernmental Receivable	702,323	-	-
Due from other funds	-	-	-
Loans Receivable (CDBG)	<u>4,010,612</u>	<u>37,402</u>	<u>38,559</u>
Total Assets	\$ <u>11,352,630</u>	\$ <u>102,376</u>	\$ <u>58,246</u>
LIABILITIES			
Accounts Payable	\$ 105,704	\$ -	\$ -
Contract Retentions	-	-	-
Due to Other Funds	<u>865,177</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>970,881</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Loans Receivab	<u>5,619,362</u>	<u>37,402</u>	<u>38,559</u>
Total Liabilities and Deferred Inflows of Resources	<u>6,590,243</u>	<u>37,402</u>	<u>38,559</u>
Fund Balances (Deficit):			
Unreserved, undesignated	<u>4,762,387</u>	<u>64,974</u>	<u>19,687</u>
Total Fund Balance (Deficit)	<u>4,762,387</u>	<u>64,974</u>	<u>19,687</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ <u>11,352,630</u>	\$ <u>102,376</u>	\$ <u>58,246</u>

(Continued)

CDBG Economic Reuse (Fund 325)	CDBG Housing Reuse Fund (Fund 326, 822)	CDBG Housing Rehab RLF Fund (Fund 328, 826)	SALADO Wall Fund (Fund 344)	Drainage Fund (Fund 345)	Park Recycling Grant Fund (Fund 353)	Subtotal (Carried forward to next page)
\$ 8,030	\$ 46,125	\$ -	\$ 97,359	\$ 231,940	\$ 5,505	\$ 5,504,565
-	-	-	-	-	-	1,608,750
-	-	-	-	-	-	702,323
-	-	-	-	-	-	-
-	3,010	41,054	-	-	-	4,130,637
<u>\$ 8,030</u>	<u>\$ 49,135</u>	<u>\$ 41,054</u>	<u>\$ 97,359</u>	<u>\$ 231,940</u>	<u>\$ 5,505</u>	<u>\$ 11,946,275</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,704
-	-	-	-	-	-	-
-	-	-	-	-	-	865,177
-	-	-	-	-	-	970,881
-	3,010	41,054	-	-	-	5,739,387
-	3,010	41,054	-	-	-	-
-	3,010	41,054	-	-	-	6,710,268
<u>8,030</u>	<u>46,125</u>	<u>-</u>	<u>97,359</u>	<u>231,940</u>	<u>5,505</u>	<u>5,236,007</u>
<u>8,030</u>	<u>46,125</u>	<u>-</u>	<u>97,359</u>	<u>231,940</u>	<u>5,505</u>	<u>5,236,007</u>
<u>\$ 8,030</u>	<u>\$ 49,135</u>	<u>\$ 41,054</u>	<u>\$ 97,359</u>	<u>\$ 231,940</u>	<u>\$ 5,505</u>	<u>\$ 11,946,275</u>

See accompanying notes to
the basic financial statements

CITY OF CORNING
SPECIAL REVENUE FUNDS
Combining Balance Sheet
June 30, 2023

	<u>Subtotal (Brought forward)</u>	<u>Trail Development Fund (Fund 356)</u>	<u>Prop 68 Park Plaza and Rec Center Fund (Fund 360)</u>
ASSETS			
Cash and Cash Equivalents	\$ 5,504,565	\$ 6,197	\$ -
Interest receivable	1,608,750	-	-
Intergovernmental Receivable	702,323	-	-
Due from other funds	-	-	-
Loans Receivable (CDBG)	<u>4,130,637</u>	<u>-</u>	<u>-</u>
 Total Assets	 \$ <u>11,946,275</u>	 \$ <u>6,197</u>	 \$ <u>-</u>
LIABILITIES			
Accounts Payable	\$ 105,704	\$ -	\$ 73,136
Contract Retentions	-	-	-
Due to Other Funds	<u>865,177</u>	<u>-</u>	<u>850,784</u>
Total Liabilities	<u>970,881</u>	<u>-</u>	<u>923,920</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Loans Receivabl	<u>5,739,387</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>6,710,268</u>	<u>-</u>	<u>923,920</u>
Fund Balances (Deficit):			
Unreserved, undesignated	<u>5,236,007</u>	<u>6,197</u>	<u>(923,920)</u>
 Total Fund Balance (Deficit)	 <u>5,236,007</u>	 <u>6,197</u>	 <u>(923,920)</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 \$ <u>11,946,275</u>	 \$ <u>6,197</u>	 \$ <u>-</u>

Wayfinding Maintenance Fund (Fund 370)	Lighting & Landscape Fund (Fund 701)	Lighting & Landscape Fund (Fund 702)	Lighting & Landscape Fund (Fund 703)	Lighting & Landscape Fund (Fund 704)	Lighting & Landscape Fund (Fund 705)	Total
\$ 1,272	\$ -	\$ 30,267	\$ 40,739	\$ 5,629	\$ -	\$ 5,588,669
-	-	-	-	-	-	1,608,750
-	-	-	-	-	-	702,323
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,130,637</u>
<u>\$ 1,272</u>	<u>\$ -</u>	<u>\$ 30,267</u>	<u>\$ 40,739</u>	<u>\$ 5,629</u>	<u>\$ -</u>	<u>\$ 12,030,379</u>
\$ -	\$ 336	\$ 198	\$ 103	\$ 334	\$ 116	\$ 179,927
-	-	-	-	-	-	-
-	1,874	-	-	-	84	1,717,919
<u>-</u>	<u>2,210</u>	<u>198</u>	<u>103</u>	<u>334</u>	<u>200</u>	<u>1,897,846</u>
-	-	-	-	-	-	5,739,387
<u>-</u>	<u>2,210</u>	<u>198</u>	<u>103</u>	<u>334</u>	<u>200</u>	<u>7,637,233</u>
<u>1,272</u>	<u>(2,210)</u>	<u>30,069</u>	<u>40,636</u>	<u>5,295</u>	<u>(200)</u>	<u>4,393,146</u>
<u>1,272</u>	<u>(2,210)</u>	<u>30,069</u>	<u>40,636</u>	<u>5,295</u>	<u>(200)</u>	<u>4,393,146</u>
<u>\$ 1,272</u>	<u>\$ -</u>	<u>\$ 30,267</u>	<u>\$ 40,739</u>	<u>\$ 5,629</u>	<u>\$ -</u>	<u>\$ 12,030,379</u>

See accompanying notes to
the basic financial statements

**CITY OF CORNING
SPECIAL REVENUE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Year Ended June 30, 2023**

	ARPA COVID Relief Fund (Fund 005)	Animal Control Officer Replacement Fund (Fund 072)	Business License ADA (Fund 080)
REVENUES:			
Intergovernmental Revenues	\$ -	\$ -	\$ -
Interest	26,673	-	169
Other Revenues	-	-	2,536
Total revenues	<u>26,673</u>	<u>-</u>	<u>2,705</u>
EXPENDITURES:			
Current:			
General Government:			
General Government	-	520	948
Total General Government	<u>-</u>	<u>520</u>	<u>948</u>
Public Safety and Judiciary:			
Police	-	-	-
Total Public Safety and Judiciary	<u>-</u>	<u>-</u>	<u>-</u>
Transportation:			
Streets	-	-	-
Total Transportation	<u>-</u>	<u>-</u>	<u>-</u>
Cultural, Parks and Recreation			
Parks and Recreation	-	-	-
Total Cultural, Parks and Recreation	<u>-</u>	<u>-</u>	<u>-</u>
Community/Economic Development:			
Economic Development	-	-	-
Total Community/Economic Development	<u>-</u>	<u>-</u>	<u>-</u>
Capital Outlay			
Total Expenditures	<u>-</u>	<u>520</u>	<u>948</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>26,673</u>	<u>(520)</u>	<u>1,757</u>
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	26,673	(520)	1,757
Fund Balances-Beginning of Year - As Previously Stated	1,846,884	520	11,203
Prior Period Adjustment	-	-	-
Fund Balances-Beginning of Year - As Restated	<u>1,846,884</u>	<u>520</u>	<u>11,203</u>
Residual Equity Transfers In / Out	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances-Ending of Year	<u>\$ 1,873,557</u>	<u>\$ -</u>	<u>\$ 12,960</u>

(Continued)

Exhibit B-2

SB-1 Road Fund (Fund 106)	RSTP Streets Fund (Fund 108)	Special Gas Tax Improvement #2105 Fund (Fund 109)	Special Gas Tax Improvement #2106 Fund (Fund 110)	Subtotal (Carried forward to next page)
\$ 183,695	\$ 237,207	\$ 46,854	\$ 31,823	\$ 499,579
5,610	13,241	-	-	45,693
-	-	-	-	2,536
<u>189,305</u>	<u>250,448</u>	<u>46,854</u>	<u>31,823</u>	<u>547,808</u>
-	-	-	-	1,468
-	-	-	-	1,468
-	-	-	-	-
-	-	-	-	-
96,579	63,915	60,754	30,275	251,523
<u>96,579</u>	<u>63,915</u>	<u>60,754</u>	<u>30,275</u>	<u>251,523</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
96,579	63,915	60,754	30,275	252,991
<u>92,726</u>	<u>186,533</u>	<u>(13,900)</u>	<u>1,548</u>	<u>294,817</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
92,726	186,533	(13,900)	1,548	294,817
329,739	878,054	17,247	6,387	3,090,034
-	-	-	-	-
<u>329,739</u>	<u>878,054</u>	<u>17,247</u>	<u>6,387</u>	<u>3,090,034</u>
-	-	-	-	-
<u>\$ 422,465</u>	<u>\$ 1,064,587</u>	<u>\$ 3,347</u>	<u>\$ 7,935</u>	<u>\$ 3,384,851</u>

See accompanying notes to
the basic financial statements

**CITY OF CORNING
SPECIAL REVENUE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Year Ended June 30, 2023**

	Subtotal (Brought forward)	Special Gas Tax Improvement #2106 Fund (Fund 111)	Special Gas Tax Improvement #2107.5 Fund (Fund 112)
REVENUES:			
Intergovernmental Revenues	\$ 499,579	\$ 63,855	\$ 2,000
Interest	45,693	574	202
Other Revenues	2,536	-	-
Total revenues	<u>547,808</u>	<u>64,429</u>	<u>2,202</u>
EXPENDITURES:			
Current:			
General Government:			
General Government	1,468	-	-
Total General Government	<u>1,468</u>	<u>-</u>	<u>-</u>
Public Safety and Judiciary:			
Police	-	-	-
Total Public Safety and Judiciary	<u>-</u>	<u>-</u>	<u>-</u>
Transportation:			
Streets	251,523	82,098	-
Total Transportation	<u>251,523</u>	<u>82,098</u>	<u>-</u>
Cultural, Parks and Recreation			
Parks and Recreation	-	-	-
Total Cultural, Parks and Recreation	<u>-</u>	<u>-</u>	<u>-</u>
Community/Economic Development:			
Economic Development	-	-	-
Total Community/Economic Development	<u>-</u>	<u>-</u>	<u>-</u>
Capital Outlay			
Total Expenditures	<u>252,991</u>	<u>82,098</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>294,817</u>	<u>(17,669)</u>	<u>2,202</u>
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	294,817	(17,669)	2,202
Fund Balances-Beginning of Year - As Previously Stated	3,090,034	33,385	12,055
Prior Period Adjustment	-	-	-
Fund Balances-Beginning of Year	<u>3,090,034</u>	<u>33,385</u>	<u>12,055</u>
Residual Equity Transfers In / Out	-	-	-
Fund Balances-Ending of Year	<u>\$ 3,384,851</u>	<u>\$ 15,716</u>	<u>\$ 14,257</u>

(Continued)

Exhibit B-2
(Continued)

Local Transportation Fund (Fund 114)	Special Gas Tax Improvement # 2103 Fund (Fund 115)	Traffic Mitigation Fund (Fund 116)	Safe Routes to Schools Fund (Fund 118)	Subtotal (Carried forward to next page)
\$ 143,751	\$ 67,084	\$ 141,563	\$ 321,641	\$ 1,239,473
9,192	786	10,252	-	66,699
-	-	-	-	2,536
<u>152,943</u>	<u>67,870</u>	<u>151,815</u>	<u>321,641</u>	<u>1,308,708</u>
53,293	54,764	-	-	109,525
<u>53,293</u>	<u>54,764</u>	-	-	<u>109,525</u>
-	-	-	-	-
-	-	-	-	-
-	5,919	-	-	339,540
-	5,919	-	-	339,540
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
57,608	20,211	-	145,857	223,676
<u>110,901</u>	<u>80,894</u>	-	<u>145,857</u>	<u>672,741</u>
42,042	(13,024)	151,815	175,784	635,967
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
42,042	(13,024)	151,815	175,784	635,967
589,507	54,953	637,808	(223,582)	4,194,160
-	-	-	-	-
<u>589,507</u>	<u>54,953</u>	<u>637,808</u>	<u>(223,582)</u>	<u>4,194,160</u>
-	-	-	-	-
\$ <u>631,549</u>	\$ <u>41,929</u>	\$ <u>789,623</u>	\$ <u>(47,798)</u>	\$ <u>4,830,127</u>

See accompanying notes to
the basic financial statements

CITY OF CORNING
SPECIAL REVENUE FUNDS

**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance**
Year Ended June 30, 2023

	<u>Subtotal (Brought forward)</u>	<u>Special Gas Traffic Construction (Fund 121)</u>	<u>LIHEAP Fund (Fund 154)</u>
REVENUES:			
Intergovernmental Revenues	\$ 1,239,473	\$ -	\$ -
Interest	66,699	382	-
Other Revenues	2,536	-	-
Total revenues	<u>1,308,708</u>	<u>382</u>	<u>-</u>
EXPENDITURES:			
Current:			
General Government:			
General Government	109,525	-	-
Total General Government	<u>109,525</u>	<u>-</u>	<u>-</u>
Public Safety and Judiciary:			
Police	-	-	-
Total Public Safety and Judiciary	<u>-</u>	<u>-</u>	<u>-</u>
Transportation:			
Streets	339,540	-	-
Total Transportation	<u>339,540</u>	<u>-</u>	<u>-</u>
Cultural, Parks and Recreation			
Parks and Recreation	-	-	-
Total Cultural, Parks and Recreation	<u>-</u>	<u>-</u>	<u>-</u>
Community/Economic Development:			
Economic Development	-	-	16,500
Total Community/Economic Development	<u>-</u>	<u>-</u>	<u>16,500</u>
Capital Outlay			
Total Expenditures	223,676	-	-
Total Expenditures	<u>672,741</u>	<u>-</u>	<u>16,500</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>635,967</u>	<u>382</u>	<u>(16,500)</u>
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	635,967	382	(16,500)
Fund Balances-Beginning of Year - As Previously Stated	4,194,160	26,437	-
Prior Period Adjustment	-	-	-
Fund Balances-Beginning of Year	<u>4,194,160</u>	<u>26,437</u>	<u>3</u>
Residual Equity Transfers In / Out	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances-Ending of Year	<u>\$ 4,830,127</u>	<u>\$ 26,819</u>	<u>\$ (16,497)</u>

(Continued)

**Exhibit B-2
(Continued)**

	Rogers Restoration (Fund 130)	SB-2 Grant (Fund 155)	Promise Grant (Fund 160)	Police Grant (Fund 165)	Abandoned Vehicle Grant (Fund 170)	Subtotal (Carried forward to next page)
\$	-	\$ 58,094	\$ 58,829	\$ 15,000	\$ -	\$ 1,371,396
	18	-	1,003	95	521	68,718
	1,000	-	14,461	-	-	17,997
	<u>1,018</u>	<u>58,094</u>	<u>74,293</u>	<u>15,095</u>	<u>521</u>	<u>1,458,111</u>
	-	-	23,461	-	-	132,986
	-	-	<u>23,461</u>	-	-	<u>132,986</u>
	-	-	-	3,185	-	3,185
	-	-	-	<u>3,185</u>	-	<u>3,185</u>
	-	-	-	-	-	339,540
	-	-	-	-	-	<u>339,540</u>
	-	-	26,965	-	-	26,965
	-	-	<u>26,965</u>	-	-	<u>26,965</u>
	-	-	-	-	-	16,500
	-	-	-	-	-	<u>16,500</u>
	-	-	-	-	-	223,676
	-	-	50,426	3,185	-	<u>742,852</u>
	<u>1,018</u>	<u>58,094</u>	<u>23,867</u>	<u>11,910</u>	<u>521</u>	<u>715,259</u>
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	1,018	58,094	23,867	11,910	521	715,259
	1,000	(32,681)	62,190	-	36,100	4,287,206
	-	-	-	-	-	-
	<u>1,000</u>	<u>(32,681)</u>	<u>62,190</u>	<u>-</u>	<u>36,100</u>	<u>4,287,209</u>
	-	-	-	-	-	-
\$	<u><u>2,018</u></u>	<u><u>25,413</u></u>	<u><u>86,057</u></u>	<u><u>11,910</u></u>	<u><u>36,621</u></u>	<u><u>5,002,468</u></u>

See accompanying notes to the basic financial statements

**CITY OF CORNING
SPECIAL REVENUE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Year Ended June 30, 2023**

	Subtotal (Brought forward)	CDBG CV 1,2,3 Grant (Fund 180)	Homeland Security (Fund 189)
REVENUES:			
Intergovernmental Revenues	\$ 1,371,396	\$ -	\$ -
Interest	68,718	-	-
Other Revenues	17,997	-	-
Total revenues	<u>1,458,111</u>	<u>-</u>	<u>-</u>
EXPENDITURES:			
Current:			
General Government:			
General Government	132,986	-	-
Total General Government	<u>132,986</u>	<u>-</u>	<u>-</u>
Public Safety and Judiciary:			
Police	3,185	-	-
Total Public Safety and Judiciary	<u>3,185</u>	<u>-</u>	<u>-</u>
Transportation:			
Streets	339,540	-	-
Total Transportation	<u>339,540</u>	<u>-</u>	<u>-</u>
Cultural, Parks and Recreation			
Parks and Recreation	26,965	-	-
Total Cultural, Parks and Recreation	<u>26,965</u>	<u>-</u>	<u>-</u>
Community/Economic Development:			
Economic Development	16,500	65,071	-
Total Community/Economic Development	<u>16,500</u>	<u>65,071</u>	<u>-</u>
Capital Outlay	223,676	-	-
Total Expenditures	<u>742,852</u>	<u>65,071</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>715,259</u>	<u>(65,071)</u>	<u>-</u>
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	715,259	(65,071)	-
Fund Balances-Beginning of Year - As Previously Stated	4,287,206	(4,290)	-
Prior Period Adjustment	-	-	-
Fund Balances-Beginning of Year	<u>4,287,206</u>	<u>(4,290)</u>	<u>-</u>
Residual Equity Transfers In / Out	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances-Ending of Year	<u>\$ 5,002,468</u>	<u>\$ (69,361)</u>	<u>\$ -</u>

(Continued)

Exhibit B-2
(Continued)

	Prop 47 Cycle 1 Grant (Fund 192)	Promotion Neighborhood Grant (Fund 193)	Prop 47 Grant (Fund 195)	2013 Home Loan Fund (Fund 320, 828)	SALDO Home Loan Fund (Fund 321, 825)	Subtotal (Carried forward to next page)
\$	-	\$ -	\$ 1,337,706	\$ -	\$ -	\$ 2,709,102
	-	-	-	-	-	68,718
	-	-	-	-	-	17,997
	-	-	1,337,706	-	-	2,795,817
	-	147	1,153,064	-	-	1,286,197
	-	147	1,153,064	-	-	1,286,197
	-	-	-	-	-	3,185
	-	-	-	-	-	3,185
	-	-	-	-	-	339,540
	-	-	-	-	-	339,540
	-	-	-	-	-	26,965
	-	-	-	-	-	26,965
	-	-	-	-	-	81,571
	-	-	-	-	-	81,571
	-	-	-	-	-	223,676
	-	147	1,153,064	-	-	1,961,134
	-	(147)	184,642	-	-	834,683
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	(147)	184,642	-	-	834,683
	-	147	(355,362)	-	-	3,927,701
	-	-	-	-	-	-
	-	147	(355,362)	-	-	3,927,701
	-	-	-	-	-	-
\$	\$ -	\$ -	\$ (170,720)	\$ -	\$ -	\$ 4,762,387

See accompanying notes to
the basic financial statements

**CITY OF CORNING
SPECIAL REVENUE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Year Ended June 30, 2023**

	<u>Subtotal (Brought forward)</u>	<u>CDBG 1987 Loan Fund (Fund 323, 820)</u>	<u>CDBG 1990 Loan Fund (Fund 324,821)</u>	<u>CDBG Economic Reuse (Fund 325)</u>
REVENUES:				
Intergovernmental Revenues	\$ 2,709,102	\$ -	\$ -	\$ -
Interest	68,718	818	280	120
Other Revenues	17,997	-	-	-
Total revenues	<u>2,795,817</u>	<u>818</u>	<u>280</u>	<u>120</u>
EXPENDITURES:				
Current:				
General Government:				
General Government	1,286,197	-	-	-
Total General Government	<u>1,286,197</u>	<u>-</u>	<u>-</u>	<u>-</u>
Public Safety and Judiciary:				
Police	3,185	-	-	-
Total Public Safety and Judiciary	<u>3,185</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation:				
Streets	339,540	-	-	-
Total Transportation	<u>339,540</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cultural, Parks and Recreation				
Parks and Recreation	26,965	-	-	-
Total Cultural, Parks and Recreation	<u>26,965</u>	<u>-</u>	<u>-</u>	<u>-</u>
Community/Economic Development:				
Economic Development	81,571	-	-	1,663
Total Community/Economic Development	<u>81,571</u>	<u>-</u>	<u>-</u>	<u>1,663</u>
Capital Outlay	223,676	-	-	-
Total Expenditures	<u>1,961,134</u>	<u>-</u>	<u>-</u>	<u>1,663</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>834,683</u>	<u>818</u>	<u>280</u>	<u>(1,543)</u>
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	834,683	818	280	(1,543)
Fund Balances-Beginning of Year - As Previously Stated	3,927,701	64,156	19,407	9,573
Prior Period Adjustment	-	-	-	-
Fund Balances-Beginning of Year	<u>3,927,701</u>	<u>64,156</u>	<u>19,407</u>	<u>9,573</u>
Residual Equity Transfers In / Out	-	-	-	-
Fund Balances-Ending of Year	<u>\$ 4,762,387</u>	<u>\$ 64,974</u>	<u>\$ 19,687</u>	<u>\$ 8,030</u>

(Continued)

Exhibit B-2
(Continued)

	CDBG Housing Reuse (Fund 326, 822, 826)	CDBG Housing Rehab RLF Fund (Fund 328, 826)	SALADO Wall Fund (Fund 344)	Drainage Fund (Fund 345)	Park Recycling Grant Fund (Fund 353)	Subtotal (Carried forward to next page)
\$	-	\$ -	\$ -	\$ 32,314	\$ -	\$ 2,741,416
	657	-	1,386	3,089	78	75,146
	-	-	-	-	-	17,997
	<u>657</u>	<u>-</u>	<u>1,386</u>	<u>35,403</u>	<u>78</u>	<u>2,834,559</u>
	-	-	-	-	-	1,286,197
	-	-	-	-	-	<u>1,286,197</u>
	-	-	-	-	-	3,185
	-	-	-	-	-	<u>3,185</u>
	-	-	-	-	-	339,540
	-	-	-	-	-	<u>339,540</u>
	-	-	-	-	-	26,965
	-	-	-	-	-	<u>26,965</u>
	-	-	-	-	-	83,234
	-	-	-	-	-	<u>83,234</u>
	-	-	-	-	-	223,676
	-	-	-	-	-	<u>1,962,797</u>
	<u>657</u>	<u>-</u>	<u>1,386</u>	<u>35,403</u>	<u>78</u>	<u>871,762</u>
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>657</u>	<u>-</u>	<u>1,386</u>	<u>35,403</u>	<u>78</u>	<u>871,762</u>
	45,468	-	95,973	196,537	5,427	4,364,242
	-	-	-	-	-	-
	<u>45,468</u>	<u>-</u>	<u>95,973</u>	<u>196,537</u>	<u>5,427</u>	<u>4,364,242</u>
	-	-	-	-	-	-
\$	<u><u>46,125</u></u>	<u><u>-</u></u>	<u><u>97,359</u></u>	<u><u>231,940</u></u>	<u><u>5,505</u></u>	<u><u>5,236,007</u></u>

See accompanying notes to
the basic financial statements

CITY OF CORNING
SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Year Ended June 30, 2023

	<u>Subtotal (Brought forward)</u>	<u>Trail Development Fund (Fund 356)</u>	<u>Prop 68 Park Plaza and Rec Center Fund (Fund 360)</u>	<u>Wayfinding Maintenance Fund (Fund 370)</u>
REVENUES:				
Intergovernmental Revenues	\$ 2,741,416	\$ -	\$ -	\$ -
Interest	75,146	88	-	18
Other Revenues	17,997	-	-	-
Total revenues	<u>2,834,559</u>	<u>88</u>	<u>-</u>	<u>18</u>
EXPENDITURES:				
Current:				
General Government:				
General Government	1,286,197	-	-	-
Total General Government	<u>1,286,197</u>	<u>-</u>	<u>-</u>	<u>-</u>
Public Safety and Judiciary:				
Police	3,185	-	-	-
Total Public Safety and Judiciary	<u>3,185</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation:				
Streets	339,540	-	-	-
Total Transportation	<u>339,540</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cultural, Parks and Recreation				
Parks and Recreation	26,965	-	-	-
Total Cultural, Parks and Recreation	<u>26,965</u>	<u>-</u>	<u>-</u>	<u>-</u>
Community/Economic Development:				
Economic Development	83,234	-	-	-
Total Community/Economic Development	<u>83,234</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital Outlay	223,676	-	208,370	-
Total Expenditures	<u>1,962,797</u>	<u>-</u>	<u>208,370</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>871,762</u>	<u>88</u>	<u>(208,370)</u>	<u>18</u>
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	871,762	88	(208,370)	18
Fund Balances-Beginning of Year - As Previously Stated	4,364,242	6,109	(715,550)	1,254
Prior Period Adjustment	-	-	-	-
Fund Balances-Beginning of Year	<u>4,365,368</u>	<u>6,109</u>	<u>(715,550)</u>	<u>1,254</u>
Residual Equity Transfers In / Out	-	-	-	-
Fund Balances-Ending of Year	<u>\$ 5,236,007</u>	<u>\$ 6,197</u>	<u>\$ (923,920)</u>	<u>\$ 1,272</u>

(Continued)

	Lighting & Landscape Fund (Fund 701)	Lighting & Landscape Fund (Fund 702)	Lighting & Landscape Fund (Fund 703)	Lighting & Landscape Fund (Fund 704)	Lighting & Landscape Fund (Fund 705)	Totals
\$	-	-	-	-	-	2,741,416
	-	392	557	53	-	76,254
	883	7,695	4,334	4,773	-	35,682
	<u>883</u>	<u>8,087</u>	<u>4,891</u>	<u>4,826</u>	<u>-</u>	<u>2,853,352</u>
	-	-	-	2,050	-	1,288,247
	-	-	-	<u>2,050</u>	<u>-</u>	<u>1,288,247</u>
	-	-	-	-	-	3,185
	-	-	-	-	-	<u>3,185</u>
	1,564	6,862	2,768	3,339	116	354,189
	<u>1,564</u>	<u>6,862</u>	<u>2,768</u>	<u>3,339</u>	<u>116</u>	<u>354,189</u>
	-	-	-	-	-	26,965
	-	-	-	-	-	<u>26,965</u>
	-	-	-	-	-	83,234
	-	-	-	-	-	<u>83,234</u>
	-	-	-	-	-	432,046
	1,564	6,862	2,768	5,389	116	<u>2,187,866</u>
	<u>(681)</u>	<u>1,225</u>	<u>2,123</u>	<u>(563)</u>	<u>(116)</u>	<u>665,486</u>
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	(681)	1,225	2,123	(563)	(116)	665,486
	(1,529)	28,844	38,513	5,858	(84)	3,727,657
	-	-	-	-	-	-
	<u>(1,529)</u>	<u>28,844</u>	<u>38,513</u>	<u>5,858</u>	<u>(84)</u>	<u>3,728,783</u>
	-	-	-	-	-	-
\$	<u>(2,210)</u>	<u>30,069</u>	<u>40,636</u>	<u>5,295</u>	<u>(200)</u>	<u>4,393,146</u>

See accompanying notes to
the basic financial statements

CITY OF CORNING
SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes In Fund Balance (Deficit) - Budget And Actual
Year Ended June 30, 2023

ARPA COVID Relief Fund (Fund 005)		
Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:		
Intergovernmental Revenues	\$ -	\$ -
Interest	-	26,673
Other Revenues	-	-
Total revenues	-	26,673
EXPENDITURES:		
Current: +18:4518:47N4918:45N4918:18:45		
General Government:		
General Government	-	-
Total General Government	-	-
Public Safety and Judiciary:		
Police	-	-
Total Public Safety and Judiciary	-	-
Transportation:		
Streets	-	-
Total Transportation	-	-
Cultural, Parks and Recreation		
Parks and Recreation	-	-
Total Cultural, Parks and Recreation	-	-
Community/Economic Development:		
Economic Development	-	-
Total Community/Economic Development	-	-
Capital Outlay	-	-
Total Expenditures	-	-
Excess of Revenues Over (Under) Expenditures	-	26,673
OTHER FINANCING SOURCES (USES):		
Operating Transfers In	-	-
Operating Transfers Out	-	-
Total Other Financing Sources (Over)	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	26,673
FUND BALANCE (DEFICIT), AT BEGINNING OF YEAR		
Prior Period Adjustment	-	1,846,884
As Restated	-	1,846,884
Residual Equity Transfers In / Out	-	-
FUND BALANCE (DEFICIT), AT END OF YEAR	\$ -	\$ 1,873,557

(Continued)

Exhibit B-3

ACO Replacement Fund (Fund 72)			Business License ADA (Fund 80)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	169	169
-	-	-	200	2,536	2,336
-	-	-	200	2,705	2,505
-	520	(520)	700	948	(248)
-	520	(520)	700	948	(248)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	520	(520)	700	948	(248)
-	(520)	(520)	(500)	1,757	2,257
-	-	-	-	-	-
-	(520)	(520)	-	-	-
-	(520)	(520)	-	-	-
\$ -	(1,040)	\$ (1,040)	\$ (500)	1,757	\$ 2,257
	520			11,203	
	-			-	
	520			11,203	
	-			-	
	\$ (520)			\$ 12,960	

See accompanying notes to the basic financial statements

**CITY OF CORNING
SPECIAL REVENUE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes In Fund Balance (Deficit) - Budget And Actual
Year Ended June 30, 2023**

SB-1 Road Fund (Fund 106)			
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental Revenues	\$ 175,700	\$ 183,695	\$ 7,995
Interest	-	5,610	5,610
Other Revenues	-	-	-
Total revenues	175,700	189,305	13,605
EXPENDITURES:			
Current:			
General Government:			
General Government	-	-	-
Total General Government	-	-	-
Public Safety and Judiciary:			
Police	-	-	-
Total Public Safety and Judiciary	-	-	-
Transportation:			
Streets	-	96,579	(96,579)
Total Transportation	-	96,579	(96,579)
Cultural, Parks and Recreation			
Parks and Recreation	-	-	-
Total Cultural, Parks and Recreation	-	-	-
Community/Economic Development:			
Economic Development	-	-	-
Total Community/Economic Development	-	-	-
Capital Outlay	200,000	-	200,000
Total Expenditures	200,000	96,579	103,421
Excess of Revenues Over (Under) Expenditures	(24,300)	92,726	117,026
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	-	-	-
Operating Transfers Out	-	-	-
Total Other Financing Sources (Over)	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (24,300)	92,726	\$ 117,026
FUND BALANCE (DEFICIT), AT BEGINNING OF YEAR		329,739	
Prior Period Adjustment		-	
As Restated		329,739	
Residual Equity Transfers In / Out		-	
FUND BALANCE (DEFICIT), AT END OF YEAR		\$ 422,465	

(Continued)

Exhibit B-3
(Continued)

RSTP Streets Fund (Fund 108)		
Budget	Actual	Variance Favorable (Unfavorable)
\$ 195,500	\$ 237,207	\$ 41,707
2,000	13,241	11,241
-	-	-
197,500	250,448	52,948
-	-	-
-	-	-
-	-	-
-	-	-
37,000	63,915	(26,915)
37,000	63,915	(26,915)
-	-	-
-	-	-
-	-	-
608,000	-	608,000
645,000	63,915	581,085
(447,500)	186,533	634,033
-	-	-
-	-	-
-	-	-
\$ (447,500)	186,533	\$ 634,033
	878,054	
	-	
	878,054	
	-	
\$	1,064,587	

Special Gas Tax Improvement #2105 (Fund 109)		
Budget	Actual	Variance Favorable (Unfavorable)
\$ 49,500	\$ 46,854	\$ (2,646)
300	-	(300)
-	-	-
49,800	46,854	(2,946)
-	-	-
-	-	-
-	-	-
-	-	-
72,762	60,754	12,008
72,762	60,754	12,008
-	-	-
-	-	-
-	-	-
-	-	-
72,762	60,754	12,008
(22,962)	(13,900)	9,062
-	-	-
-	-	-
-	-	-
\$ (22,962)	(13,900)	\$ 9,062
	17,247	
	-	
	17,247	
	-	
\$	3,347	

See accompanying notes to the basic financial statements

**CITY OF CORNING
SPECIAL REVENUE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes In Fund Balance (Deficit) - Budget And Actual
Year Ended June 30, 2023**

Special Gas Tax 2106 (Fund 110)		
Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:		
Intergovernmental Revenues	\$ 33,500	\$ 31,823
Interest	300	-
Other Revenues	-	-
Total revenues	33,800	31,823
EXPENDITURES:		
Current:		
General Government:		
General Government	-	-
Total General Government	-	-
Public Safety and Judiciary:		
Police	-	-
Total Public Safety and Judiciary	-	-
Transportation:		
Streets	60,212	30,275
Total Transportation	60,212	30,275
Cultural, Parks and Recreation		
Parks and Recreation	-	-
Total Cultural, Parks and Recreation	-	-
Community/Economic Development:		
Economic Development	-	-
Total Community/Economic Development	-	-
Capital Outlay		
Capital Outlay	-	-
Total Expenditures	60,212	30,275
Excess of Revenues Over (Under) Expenditures	(26,412)	1,548
OTHER FINANCING SOURCES (USES):		
Operating Transfers In	-	-
Operating Transfers Out	-	-
Total Other Financing Sources (Over)	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (26,412)	\$ 1,548
FUND BALANCE (DEFICIT), AT BEGINNING OF YEAR		
Prior Period Adjustment	6,387	-
As Restated	-	6,387
Residual Equity Transfers In / Out	-	-
FUND BALANCE (DEFICIT), AT END OF YEAR	\$ 7,935	\$ 7,935

(Continued)

**Exhibit B-3
(Continued)**

Special Gas Tax 2107 (Fund 111)			Special Gas Tax 2107.5 (Fund 112)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 67,500	\$ 63,855	\$ (3,645)	\$ 2,000	\$ 2,000	\$ -
300	574	274	-	202	202
-	-	-	-	-	-
67,800	64,429	(3,371)	2,000	2,202	202
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
52,212	82,098	(29,886)	2,000	-	2,000
52,212	82,098	(29,886)	2,000	-	2,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
39,000	-	39,000	-	-	-
91,212	82,098	9,114	2,000	-	2,000
(23,412)	(17,669)	5,743	-	2,202	2,202
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ (23,412)	\$ (17,669)	\$ 5,743	\$ -	\$ 2,202	\$ 2,202
	33,385			12,055	
	-			-	
	33,385			12,055	
	-			-	
\$	15,716		\$	14,257	

See accompanying notes to the basic financial statements

**CITY OF CORNING
SPECIAL REVENUE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes In Fund Balance (Deficit) - Budget And Actual
Year Ended June 30, 2023**

Local Transportation Fund (Fund 114)			
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental Revenues	\$ 118,600	\$ 143,751	\$ 25,151
Interest	2,000	9,192	7,192
Other Revenues	-	-	-
Total revenues	120,600	152,943	32,343
EXPENDITURES:			
Current:			
General Government:			
General Government	144,000	53,293	90,707
Total General Government	144,000	53,293	90,707
Public Safety and Judiciary:			
Police	-	-	-
Total Public Safety and Judiciary	-	-	-
Transportation:			
Streets	-	-	-
Total Transportation	-	-	-
Cultural, Parks and Recreation			
Parks and Recreation	-	-	-
Total Cultural, Parks and Recreation	-	-	-
Community/Economic Development:			
Economic Development	-	-	-
Total Community/Economic Development	-	-	-
Capital Outlay	187,050	57,608	129,442
Total Expenditures	331,050	110,901	220,149
Excess of Revenues Over (Under) Expenditures	(210,450)	42,042	252,492
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	-	-	-
Operating Transfers Out	-	-	-
Total Other Financing Sources (Over)	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (210,450)	42,042	\$ 252,492
FUND BALANCE (DEFICIT), AT BEGINNING OF YEAR		589,507	
Prior Period Adjustment		-	
As Restated		589,507	
Residual Equity Transfers In / Out		-	
FUND BALANCE (DEFICIT), AT END OF YEAR		\$ 631,549	

(Continued)

**Exhibit B-3
(Continued)**

Special Gas Tax Improvement #2103 (Fund 115)			Traffic Mitigation Fund (Fund 116)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 75,500	\$ 67,084	\$ (8,416)	\$ 5,000	\$ 141,563	\$ 136,563
500	786	286	3,000	10,252	7,252
-	-	-	-	-	-
76,000	67,870	(8,130)	8,000	151,815	143,815
69,212	54,764	14,448	-	-	-
69,212	54,764	14,448	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,000	5,919	81	1,000	-	1,000
6,000	5,919	81	1,000	-	1,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
39,000	20,211	18,789	-	-	-
114,212	80,894	33,318	1,000	-	1,000
(38,212)	(13,024)	25,188	7,000	151,815	144,815
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ (38,212)	(13,024)	\$ 25,188	\$ 7,000	151,815	\$ 144,815
	54,953			637,808	
	-			-	
	54,953			637,808	
	-			-	
	\$ 41,929			\$ 789,623	

See accompanying notes to the basic financial statements

CITY OF CORNING
SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes In Fund Balance (Deficit) - Budget And Actual
Year Ended June 30, 2023

Safe Routes to Schools (Fund 118)			
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental Revenues	\$ 1,000,000	\$ 321,641	\$ (678,359)
Interest	-	-	-
Other Revenues	-	-	-
Total revenues	1,000,000	321,641	(678,359)
EXPENDITURES:			
Current:			
General Government:			
General Government	-	-	-
Total General Government	-	-	-
Public Safety and Judiciary:			
Police	-	-	-
Total Public Safety and Judiciary	-	-	-
Transportation:			
Streets	-	-	-
Total Transportation	-	-	-
Cultural, Parks and Recreation			
Parks and Recreation	-	-	-
Total Cultural, Parks and Recreation	-	-	-
Community/Economic Development:			
Economic Development	-	-	-
Total Community/Economic Development	-	-	-
Capital Outlay	1,867,000	145,857	1,721,143
Total Expenditures	1,867,000	145,857	1,721,143
Excess of Revenues Over (Under) Expenditures	(867,000)	175,784	1,042,784
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	-	-	-
Operating Transfers Out	-	-	-
Total Other Financing Sources (Over)	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (867,000)	175,784	\$ 1,042,784
FUND BALANCE (DEFICIT), AT BEGINNING OF YEAR		(223,582)	
Prior Period Adjustment		-	
As Restated		(223,582)	
Residual Equity Transfers In / Out		-	
FUND BALANCE (DEFICIT), AT END OF YEAR		\$ (47,798)	

(Continued)

**CITY OF CORNING
SPECIAL REVENUE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes In Fund Balance (Deficit) - Budget And Actual
Year Ended June 30, 2023**

Rogers Restoration (Fund 130)		
Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:		
Intergovernmental Revenues	\$ -	\$ -
Interest	-	18
Other Revenues	-	1,000
Total revenues	-	1,018
EXPENDITURES:		
Current:		
General Government:		
General Government	-	-
Total General Government	-	-
Public Safety and Judiciary:		
Police	-	-
Total Public Safety and Judiciary	-	-
Transportation:		
Streets	-	-
Total Transportation	-	-
Cultural, Parks and Recreation		
Parks and Recreation	-	-
Total Cultural, Parks and Recreation	-	-
Community/Economic Development:		
Economic Development	-	-
Total Community/Economic Development	-	-
Capital Outlay	1,000	-
Total Expenditures	1,000	1,000
Excess of Revenues Over (Under) Expenditures	(1,000)	1,018
OTHER FINANCING SOURCES (USES):		
Operating Transfers In	-	-
Operating Transfers Out	-	-
Total Other Financing	-	-
Sources (Over)	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (1,000)	\$ 2,018
FUND BALANCE (DEFICIT), AT BEGINNING OF YEAR	1,000	
Prior Period Adjustment	-	
As Restated	1,000	
Residual Equity Transfers In / Out	-	
FUND BALANCE (DEFICIT), AT END OF YEAR	\$ 2,018	

(Continued)

**CITY OF CORNING
SPECIAL REVENUE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes In Fund Balance (Deficit) - Budget And Actual
Year Ended June 30, 2023**

Police Grant Fund (Fund 165)			
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental Revenues	\$ 15,000	\$ 15,000	\$ -
Interest	-	95	95
Other Revenues	-	-	-
Total revenues	15,000	15,095	95
EXPENDITURES:			
Current:			
General Government:			
General Government	-	-	-
Total General Government	-	-	-
Public Safety and Judiciary:			
Police	11,955	3,185	8,770
Total Public Safety and Judiciary	11,955	3,185	8,770
Transportation:			
Streets	-	-	-
Total Transportation	-	-	-
Cultural, Parks and Recreation			
Parks and Recreation	-	-	-
Total Cultural, Parks and Recreation	-	-	-
Community/Economic Development:			
Economic Development	-	-	-
Total Community/Economic Development	-	-	-
Capital Outlay	-	-	-
Total Expenditures	11,955	3,185	8,770
Excess of Revenues Over (Under) Expenditures	3,045	11,910	8,865
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	-	-	-
Operating Transfers Out	-	-	-
Total Other Financing Sources (Over)	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 3,045	11,910	\$ 8,865
FUND BALANCE (DEFICIT), AT BEGINNING OF YEAR		-	
Prior Period Adjustment		-	
As Restated		-	
Residual Equity Transfers In / Out		-	
FUND BALANCE (DEFICIT), AT END OF YEAR		\$ 11,910	

(Continued)

**Exhibit B-3
(Continued)**

Abandoned Vehicle Grant Fund (Fund 170)		
Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -
-	521	521
-	-	-
-	521	521
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	521	521
-	-	-
-	-	-
-	-	-
\$ -	\$ 521	\$ 521
	36,100	
	-	
	36,100	
	-	
\$	36,621	

CDBG CV 1,2,3 Grant (Fund 180)		
Budget	Actual	Variance Favorable (Unfavorable)
\$ 65,000	\$ -	\$ (65,000)
-	-	-
-	-	-
65,000	-	(65,000)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
65,000	65,071	(71)
65,000	65,071	(71)
-	-	-
65,000	65,071	(71)
-	(65,071)	(65,071)
-	-	-
-	-	-
-	-	-
-	-	-
\$ -	\$ (65,071)	\$ (65,071)
	(4,290)	
	-	
	(4,290)	
	-	
\$	(69,361)	

See accompanying notes to the basic financial statements

**CITY OF CORNING
SPECIAL REVENUE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes In Fund Balance (Deficit) - Budget And Actual
Year Ended June 30, 2023**

Homeland Security Fund (Fund 189)			
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental Revenues	\$ -	\$ -	\$ -
Interest	-	-	-
Other Revenues	-	-	-
Total revenues	-	-	-
EXPENDITURES:			
Current:			
General Government:			
General Government	-	-	-
Total General Government	-	-	-
Public Safety and Judiciary:			
Police	-	-	-
Total Public Safety and Judiciary	-	-	-
Transportation:			
Streets	-	-	-
Total Transportation	-	-	-
Cultural, Parks and Recreation			
Parks and Recreation	-	-	-
Total Cultural, Parks and Recreation	-	-	-
Community/Economic Development:			
Economic Development	-	-	-
Total Community/Economic Development	-	-	-
Capital Outlay	-	-	-
Total Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	-	-	-
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	-	-	-
Operating Transfers Out	-	-	-
Total Other Financing	-	-	-
Sources (Over)	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ -	\$ -	\$ -
FUND BALANCE (DEFICIT), AT BEGINNING OF YEAR		-	
Prior Period Adjustment		-	
As Restated		-	
Residual Equity Transfers In / Out		-	
FUND BALANCE (DEFICIT), AT END OF YEAR	\$	-	-

(Continued)

**CITY OF CORNING
SPECIAL REVENUE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes In Fund Balance (Deficit) - Budget And Actual
Year Ended June 30, 2023**

Proposition 47 Grant Fund (Fund 195)			
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental Revenues	\$ 1,126,099	\$ 1,337,706	\$ 211,607
Interest	-	-	-
Other Revenues	-	-	-
Total revenues	1,126,099	1,337,706	211,607
EXPENDITURES:			
Current:			
General Government:			
General Government	180,700	1,153,064	(972,364)
Total General Government	180,700	1,153,064	(972,364)
Public Safety and Judiciary:			
Police	-	-	-
Total Public Safety and Judiciary	-	-	-
Transportation:			
Streets	-	-	-
Total Transportation	-	-	-
Cultural, Parks and Recreation			
Parks and Recreation	-	-	-
Total Cultural, Parks and Recreation	-	-	-
Community/Economic Development:			
Economic Development	-	-	-
Total Community/Economic Development	-	-	-
Capital Outlay	-	-	-
Total Expenditures	180,700	1,153,064	(972,364)
Excess of Revenues Over (Under) Expenditures	945,399	184,642	(760,757)
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	-	-	-
Operating Transfers Out	-	-	-
Total Other Financing Sources (Over)	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 945,399	184,642	\$ (760,757)
FUND BALANCE (DEFICIT), AT BEGINNING OF YEAR		(355,362)	
Prior Period Adjustment		-	
As Restated		(355,362)	
Residual Equity Transfers In / Out		-	
FUND BALANCE (DEFICIT), AT END OF YEAR		\$ (170,720)	

(Continued)

**CITY OF CORNING
SPECIAL REVENUE FUNDS**

**Combining Statement of Revenues, Expenditures,
and Changes In Fund Balance (Deficit) - Budget And Actual
Year Ended June 30, 2023**

CDBG 1990 Loan Fund (Fund 324)		
Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:		
Intergovernmental Revenues	\$ -	\$ -
Interest	-	280
Other Revenues	-	-
Total revenues	-	280
EXPENDITURES:		
Current:		
General Government:		
General Government	-	-
Total General Government	-	-
Public Safety and Judiciary:		
Police	-	-
Total Public Safety and Judiciary	-	-
Transportation:		
Streets	-	-
Total Transportation	-	-
Cultural, Parks and Recreation		
Parks and Recreation	-	-
Total Cultural, Parks and Recreation	-	-
Community/Economic Development:		
Economic Development	-	-
Total Community/Economic Development	-	-
Capital Outlay	-	-
Total Expenditures	-	-
Excess of Revenues Over (Under) Expenditures	-	280
OTHER FINANCING SOURCES (USES):		
Operating Transfers In	-	-
Operating Transfers Out	-	-
Total Other Financing Sources (Over)	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	280
FUND BALANCE (DEFICIT), AT BEGINNING OF YEAR	19,407	
Prior Period Adjustment	-	
As Restated	19,407	
Residual Equity Transfers In / Out	-	
FUND BALANCE (DEFICIT), AT END OF YEAR	\$ 19,687	

(Continued)

**Exhibit B-3
(Continued)**

CDBG Economic Reuse (Fund 325, 823)		
Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -
-	120	120
-	-	-
-	120	120
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	1,663	(1,663)
-	1,663	(1,663)
-	-	-
-	1,663	(1,663)
-	(1,543)	(1,543)
-	-	-
-	-	-
-	-	-
\$ -	(1,543)	\$ (1,543)
	9,573	
	-	
	9,573	
	-	
\$	8,030	

CDBG Housing Reuse (Fund 326, 821, 822)		
Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -
500	657	157
-	-	-
500	657	157
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
12,000	-	12,000
12,000	-	12,000
26,259	-	26,259
38,259	-	38,259
(37,759)	657	38,416
-	-	-
-	-	-
-	-	-
\$ (37,759)	657	\$ 38,416
	45,468	
	-	
	45,468	
	-	
\$	46,125	

See accompanying notes to the basic financial statements

CITY OF CORNING
SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes In Fund Balance (Deficit) - Budget And Actual
Year Ended June 30, 2023

SALADO Wall Fund (Fund 344)			
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental Revenues	\$ -	\$ -	\$ -
Interest	400	1,386	986
Other Revenues	-	-	-
Total revenues	400	1,386	986
EXPENDITURES:			
Current:			
General Government:			
General Government	-	-	-
Total General Government	-	-	-
Public Safety and Judiciary:			
Police	-	-	-
Total Public Safety and Judiciary	-	-	-
Transportation:			
Streets	-	-	-
Total Transportation	-	-	-
Cultural, Parks and Recreation			
Parks and Recreation	-	-	-
Total Cultural, Parks and Recreation	-	-	-
Community/Economic Development:			
Economic Development	-	-	-
Total Community/Economic Development	-	-	-
Capital Outlay	-	-	-
Total Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	-	1,386	986
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	-	-	-
Operating Transfers Out	-	-	-
Total Other Financing Sources (Over)	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ -	1,386	\$ 986
FUND BALANCE (DEFICIT), AT BEGINNING OF YEAR		95,973	
Prior Period Adjustment		-	
As Restated		95,973	
Residual Equity Transfers In / Out		-	
FUND BALANCE (DEFICIT), AT END OF YEAR		\$ 97,359	

(Continued)

CITY OF CORNING
SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes In Fund Balance (Deficit) - Budget And Actual
Year Ended June 30, 2023

Trail Development Fund (Fund 356)			
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental Revenues	\$ -	\$ -	\$ -
Interest	-	88	88
Other Revenues	-	-	-
Total revenues	-	88	88
EXPENDITURES:			
Current:			
General Government:			
General Government	-	-	-
Total General Government	-	-	-
Public Safety and Judiciary:			
Police	-	-	-
Total Public Safety and Judiciary	-	-	-
Transportation:			
Streets	-	-	-
Total Transportation	-	-	-
Cultural, Parks and Recreation			
Parks and Recreation	-	-	-
Total Cultural, Parks and Recreation	-	-	-
Community/Economic Development:			
Economic Development	-	-	-
Total Community/Economic Development	-	-	-
Capital Outlay	-	-	-
Total Expenditures	-	-	-
Excess of Revenues Over (Under) Expenditures	-	88	88
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	-	-	-
Operating Transfers Out	-	-	-
Total Other Financing Sources (Over)	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ -	88	\$ 88
FUND BALANCE (DEFICIT), AT BEGINNING OF YEAR		6,109	
Prior Period Adjustment		-	
As Restated		6,109	
Residual Equity Transfers In / Out		-	
FUND BALANCE (DEFICIT), AT END OF YEAR		\$ 6,197	

(Continued)

CITY OF CORNING
SPECIAL REVENUE FUNDS
Combining Statement of Revenues, Expenditures,
and Changes In Fund Balance (Deficit) - Budget And Actual
Year Ended June 30, 2023

Lighting & Landscape Fund (Fund 701)			
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental Revenues	\$ -	\$ -	\$ -
Interest	-	-	-
Other Revenues	900	883	(17)
Total revenues	900	883	(17)
EXPENDITURES:			
Current:			
General Government:			
General Government	-	-	-
Total General Government	-	-	-
Public Safety and Judiciary:			
Police	-	-	-
Total Public Safety and Judiciary	-	-	-
Transportation:			
Streets	1,386	1,564	(178)
Total Transportation	1,386	1,564	(178)
Cultural, Parks and Recreation			
Parks and Recreation	-	-	-
Total Cultural, Parks and Recreation	-	-	-
Community/Economic Development:			
Economic Development	-	-	-
Total Community/Economic Development	-	-	-
Capital Outlay	-	-	-
Total Expenditures	1,386	1,564	(178)
Excess of Revenues Over (Under) Expenditures	(486)	(681)	(195)
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	-	-	-
Operating Transfers Out	-	-	-
Total Other Financing Sources (Over)	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ (486)	\$ (681)	\$ (195)
FUND BALANCE (DEFICIT), AT BEGINNING OF YEAR		(1,529)	
Prior Period Adjustment		-	
As Restated		(1,529)	
Residual Equity Transfers In / Out		-	
FUND BALANCE (DEFICIT), AT END OF YEAR		\$ (2,210)	

(Continued)

Exhibit B-3
(Continued)

Lighting & Landscape Fund (Fund 702)		
		Variance Favorable (Unfavorable)
Budget	Actual	
\$ -	\$ -	\$ -
100	392	292
7,280	7,695	415
7,380	8,087	707
-	-	-
-	-	-
-	-	-
-	-	-
4,711	6,862	(2,151)
4,711	6,862	(2,151)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
4,711	6,862	(2,151)
2,669	1,225	(1,444)
-	-	-
-	-	-
-	-	-
\$ 2,669	\$ 1,225	\$ (1,444)
	28,844	
	-	
	28,844	
	-	
	\$ 30,069	

Lighting & Landscape Fund (Fund 703)		
		Variance Favorable (Unfavorable)
Budget	Actual	
\$ -	\$ -	\$ -
200	557	357
2,900	4,334	1,434
3,100	4,891	1,791
-	-	-
-	-	-
-	-	-
-	-	-
4,311	2,768	1,543
4,311	2,768	1,543
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
4,311	2,768	1,543
(1,211)	2,123	3,334
-	-	-
-	-	-
-	-	-
-	-	-
\$ (1,211)	\$ 2,123	\$ 3,334
	38,513	
	-	
	38,513	
	-	
	\$ 40,636	

See accompanying notes to
the basic financial statements

**CITY OF CORNING
SPECIAL REVENUE FUNDS**

**Exhibit B-3
(Continued)**

**Combining Statement of Revenues, Expenditures,
and Changes In Fund Balance (Deficit) - Budget And Actual
Year Ended June 30, 2023**

Lighting & Landscape Fund (Fund 704)			
	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Intergovernmental Revenues	\$ -	\$ -	\$ -
Interest	50	53	3
Other Revenues	4,775	4,773	(2)
Total revenues	4,825	4,826	1
EXPENDITURES:			
Current:			
General Government:			
General Government	-	2,050	(2,050)
Total General Government	-	2,050	(2,050)
Public Safety and Judiciary:			
Police	-	-	-
Total Public Safety and Judiciary	-	-	-
Transportation:			
Streets	3,961	3,339	622
Total Transportation	3,961	3,339	622
Cultural, Parks and Recreation			
Parks and Recreation	-	-	-
Total Cultural, Parks and Recreation	-	-	-
Community/Economic Development:			
Economic Development	-	-	-
Total Community/Economic Development	-	-	-
Capital Outlay	-	-	-
Total Expenditures	3,961	5,389	(1,428)
Excess of Revenues Over (Under) Expenditures	864	(563)	(1,427)
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	-	-	-
Operating Transfers Out	-	-	-
Total Other Financing Sources (Over)	-	-	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 864	\$ (563)	\$ (1,427)
FUND BALANCE (DEFICIT), AT BEGINNING OF YEAR		5,858	
Prior Period Adjustment		-	
As Restated		5,858	
Residual Equity Transfers In / Out		-	
FUND BALANCE (DEFICIT), AT END OF YEAR		\$ 5,295	

(Continued)

CITY OF CORNING
CAPITAL PROJECTS FUNDS
Combining Balance Sheet
June 30, 2023

	Police Equipment Replacement Fund (Fund 071)	Proposition 30 Police Fund (Fund 073)	Police K-9 Fund (Fund 074)	Parks Capital Outlay Fund (Fund 075)	Fire Equipment Replacement Fund (Fund 076)
ASSETS					
Cash and Cash Equivalents	\$ 649,191	\$ 10,696	\$ 8,029	\$ 13,274	\$ 970,564
Intergovernmental Receivable	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Other Assets:					
Restricted Cash: Loan Repayment	-	-	-	-	-
Total assets	<u>\$ 649,191</u>	<u>\$ 10,696</u>	<u>\$ 8,029</u>	<u>\$ 13,274</u>	<u>\$ 970,564</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts Payable	\$ -	\$ 228	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-	-	-
Other Current Liabilities	-	-	-	-	-
Total liabilities	<u>-</u>	<u>228</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances					
Unassigned	<u>649,191</u>	<u>10,468</u>	<u>8,029</u>	<u>13,274</u>	<u>970,564</u>
Total Fund Balances	<u>649,191</u>	<u>10,468</u>	<u>8,029</u>	<u>13,274</u>	<u>970,564</u>
Total Liabilities and Fund Balances	<u>\$ 649,191</u>	<u>\$ 10,696</u>	<u>\$ 8,029</u>	<u>\$ 13,274</u>	<u>\$ 970,564</u>

(Continued)

Exhibit C-1

Economic Development Project Fund (Fund 077)	Public Works Equipment Replacement Fund (Fund 078)	Park Acquisition Fund (Fund 341)	Bedroom Tax Fund (Fund 355)	Street Scape Fund (Fund 359)	Totals
\$ 29,892	\$ 963,181	\$ 183,740	\$ 44,066	\$ -	\$ 2,872,633
-	-	-	1,019	-	1,019
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 29,892</u>	<u>\$ 963,181</u>	<u>\$ 183,740</u>	<u>\$ 45,085</u>	<u>\$ -</u>	<u>\$ 2,873,652</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 228
-	-	-	-	67,714	67,714
-	-	-	-	-	-
-	-	-	-	67,714	67,942
<u>29,892</u>	<u>963,181</u>	<u>183,740</u>	<u>45,085</u>	<u>(67,714)</u>	<u>2,805,710</u>
<u>29,892</u>	<u>963,181</u>	<u>183,740</u>	<u>45,085</u>	<u>(67,714)</u>	<u>2,805,710</u>
<u>\$ 29,892</u>	<u>\$ 963,181</u>	<u>\$ 183,740</u>	<u>\$ 45,085</u>	<u>\$ -</u>	<u>\$ 2,873,652</u>

See accompanying the basic financial statements See accompanying notes to the basic financial statements

CITY OF CORNING
CAPITAL PROJECTS FUNDS

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Year Ended June 30, 2023

	Police Equipment Replacement Fund (Fund 071)	Proposition 30 Police Fund (Fund 073)	Police K-9 Fund (Fund 074)	Parks Capital Outlay Fund (Fund 075)
REVENUES:				
Intergovernmental Revenues	\$ -	\$ -	\$ -	\$ -
Acquisition Charges and Fees	-	-	-	-
Interest	9,394	170	29	188
Other	-	-	8,000	-
Total Revenues	<u>9,394</u>	<u>170</u>	<u>8,029</u>	<u>188</u>
EXPENDITURES:				
Current:				
General Government:				
General Government	-	-	-	-
Total General Government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation:				
Streets	-	-	-	-
Total Transportation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cultural, Parks and Recreation				
Parks and Recreation	-	-	-	-
Total Cultural, Parks and Recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Community/Economic Development:				
Economic Development	-	-	-	-
Total Community/Economic Development	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Service:				
Principal	-	-	-	-
Interest and Other Charges	-	-	-	-
Capital Outlay	35,468	2,737	-	-
Total Expenditures	<u>35,468</u>	<u>2,737</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over				
(Under) Expenditures	<u>(26,074)</u>	<u>(2,567)</u>	<u>8,029</u>	<u>188</u>
OTHER FINANCING SOURCES (USES):				
Operating Transfers In	183,560	-	-	-
Operating Transfers Out	-	-	-	-
Total Other Financing Sources (Over)	<u>183,560</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Sources Over				
(Under) Expenditures and Other Uses	<u>157,486</u>	<u>(2,567)</u>	<u>8,029</u>	<u>188</u>
FUND BALANCE, AT BEGINNING OF YEAR	<u>491,705</u>	<u>13,035</u>	<u>-</u>	<u>13,086</u>
Residual Equity Transfers In	-	-	-	-
Residual Equity Transfers Out	-	-	-	-
FUND BALANCE, AT END OF YEAR	<u>\$ 649,191</u>	<u>\$ 10,468</u>	<u>\$ 8,029</u>	<u>\$ 13,274</u>

(Continued)

Fire Equipment Replacement Fund (Fund 076)	Economic Development Project Fund (Fund 077)	Public Works Equipment Replacement Fund (Fund 078)	Park Acquisition Fund (Fund 341)	Bedroom Tax Fund (Fund 355)	Street Scape Fund (Fund 359)	Totals
\$ -	\$ -	\$ -	\$ 21,229	\$ -	\$ -	\$ 21,229
-	-	-	-	7,300	-	7,300
14,295	425	13,769	2,466	560	-	41,296
-	-	46,744	-	18	-	54,762
<u>14,295</u>	<u>425</u>	<u>60,513</u>	<u>23,695</u>	<u>7,878</u>	<u>-</u>	<u>124,587</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
54,410	-	-	-	-	-	54,410
9,992	-	-	-	-	-	9,992
18,941	-	92,575	-	-	-	149,721
83,343	-	92,575	-	-	-	214,123
<u>(69,048)</u>	<u>425</u>	<u>(32,062)</u>	<u>23,695</u>	<u>7,878</u>	<u>-</u>	<u>(89,536)</u>
343,871	-	184,401	-	-	-	711,832
-	-	-	-	-	-	-
<u>343,871</u>	<u>-</u>	<u>184,401</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>711,832</u>
<u>274,823</u>	<u>425</u>	<u>152,339</u>	<u>23,695</u>	<u>7,878</u>	<u>-</u>	<u>622,296</u>
<u>695,741</u>	<u>29,467</u>	<u>810,842</u>	<u>160,045</u>	<u>37,207</u>	<u>(67,714)</u>	<u>2,183,414</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ <u>970,564</u>	\$ <u>29,892</u>	\$ <u>963,181</u>	\$ <u>183,740</u>	\$ <u>45,085</u>	\$ <u>(67,714)</u>	\$ <u>2,805,710</u>

See accompanying notes to
the basic financial statements

CITY OF CORNING CAPITAL PROJECTS FUNDS

**Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2023**

REVENUES:

Intergovernmental Revenues
Acquisition Charges and Fees
Interest
Other

Total Revenues

EXPENDITURES:

Current:

General Government:

General Government
Total General Government

Transportation:

Streets
Total Transportation

Cultural, Parks and Recreation

Parks and Recreation
Total Cultural, Parks and Recreation

Community/Economic Development:

Economic Development
Total Community/Economic Development

Debt Service:

Principal
Interest and Other Charges

Capital Outlay

Total Expenditures

Excess of Revenues Over

(Under) Expenditures

OTHER FINANCING SOURCES (USES):

Operating Transfers In
Operating Transfers Out

Total Other Financing
Sources (Over)

Excess of Revenues and Other Sources Over

(Under) Expenditures and Other Uses

FUND BALANCE, AT BEGINNING OF YEAR

Residual Equity Transfers In

Residual Equity Transfers Out

FUND BALANCE, AT END OF YEAR

Police Equipment Replacement Fund (Fund 071)		
		Variance Favorable (Unfavorable)
Budget	Actual	
\$ -	\$ -	\$ -
-	-	-
2,000	9,394	7,394
-	-	-
2,000	9,394	7,394
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
175,550	35,468	140,082
175,550	35,468	140,082
(173,550)	(26,074)	147,476
1,836	183,560	181,724
-	-	-
1,836	183,560	181,724
\$ (171,714)	157,486	\$ 329,200
	491,705	
	-	
	-	
	\$ 649,191	

(Continued)

CITY OF CORNING
CAPITAL PROJECTS FUNDS
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2023

REVENUES:

Intergovernmental Revenues
Acquisition Charges and Fees
Interest
Other
Total Revenues

EXPENDITURES:

Current:

General Government:
General Government
Total General Government
Transportation:
Streets
Total Transportation
Cultural, Parks and Recreation
Parks and Recreation
Total Cultural, Parks and Recreation
Community/Economic Development:
Economic Development
Total Community/Economic Development
Debt Service:
Principal
Interest and Other Charges
Capital Outlay
Total Expenditures

Excess of Revenues Over

(Under) Expenditures

OTHER FINANCING SOURCES (USES):

Operating Transfers In
Operating Transfers Out
Total Other Financing
Sources (Over)

Excess of Revenues and Other Sources Over

(Under) Expenditures and Other Uses

FUND BALANCE, AT BEGINNING OF YEAR

Residual Equity Transfers In
Residual Equity Transfers Out

FUND BALANCE, AT END OF YEAR

Parks Capital Outlay Fund (Fund 075)		
Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -
-	-	-
200	188	(12)
-	-	-
200	188	(12)
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
200	188	(12)
-	-	-
-	-	-
-	-	-
\$ 200	188	\$ (12)
	13,086	
	-	
	-	
	\$ 13,274	

**Exhibit C-3
(Continued)**

Fire Equipment Replacement Fund (Fund 076)			Economic Development Project Fund (Fund 077)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 3,000	\$ -	\$ (3,000)	\$ -	\$ -	\$ -
-	-	-	-	-	-
2,000	14,295	12,295	100	425	325
-	-	-	-	-	-
5,000	14,295	9,295	100	425	325
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
54,500	54,410	90	-	-	-
10,000	9,992	8	-	-	-
20,500	18,941	1,559	-	-	-
85,000	83,343	1,657	-	-	-
(80,000)	(69,048)	10,952	100	425	325
343,871	343,871	-	-	-	-
-	-	-	-	-	-
343,871	343,871	-	-	-	-
\$ 263,871	274,823	\$ 10,952	\$ 100	425	\$ 325
	695,741			29,467	
	-			-	
	-			-	
	\$ 970,564			\$ 29,892	

See accompanying notes to
the basic financial statements

CITY OF CORNING CAPITAL PROJECTS FUNDS

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2023

REVENUES:

Intergovernmental Revenues
Acquisition Charges and Fees
Interest
Other
Total Revenues

EXPENDITURES:

Current:

General Government:
General Government
Total General Government
Transportation:
Streets
Total Transportation
Cultural, Parks and Recreation
Parks and Recreation
Total Cultural, Parks and Recreation
Community/Economic Development:
Economic Development
Total Community/Economic Development
Debt Service:
Principal
Interest and Other Charges
Capital Outlay
Total Expenditures

Excess of Revenues Over

(Under) Expenditures

OTHER FINANCING SOURCES (USES):

Operating Transfers In
Operating Transfers Out
Total Other Financing
Sources (Over)

Excess of Revenues and Other Sources Over

(Under) Expenditures and Other Uses

FUND BALANCE, AT BEGINNING OF YEAR

Residual Equity Transfers In
Residual Equity Transfers Out

FUND BALANCE, AT END OF YEAR

Public Works Equip. Replacement Fund (Fund 078)		
Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -
-	-	-
2,000	13,769	11,769
20,000	46,744	26,744
22,000	60,513	38,513
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
39,583	92,575	(52,992)
39,583	92,575	(52,992)
(17,583)	(32,062)	(14,479)
184,401	184,401	-
-	-	-
184,401	184,401	-
\$ 166,818	152,339	\$ (14,479)
	810,842	
	-	
	-	
	\$ 963,181	

**Exhibit C-3
(Continued)**

Park Acquisition Fund (Fund 341)			Bedroom Tax (Fund 355)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ 21,229	\$ 21,229	\$ -	\$ -	\$ -
-	-	-	-	7,300	7,300
600	2,466	1,866	500	560	60
5,000	-	(5,000)	600	18	(582)
5,600	23,695	18,095	1,100	7,878	6,778
-	-	-	-	-	-
-	-	-	42,000	-	42,000
-	-	-	42,000	-	42,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
177,000	-	177,000	-	-	-
177,000	-	177,000	42,000	-	42,000
(171,400)	23,695	195,095	(40,900)	7,878	48,778
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ (171,400)	23,695	\$ 195,095	\$ (40,900)	7,878	\$ 48,778
	160,045			37,207	
	-			-	
	-			-	
\$	\$ 183,740		\$	\$ 45,085	

See accompanying notes to
the basic financial statements

CITY OF CORNING

CAPITAL PROJECTS FUNDS

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2023

REVENUES:

Intergovernmental Revenues
Acquisition Charges and Fees
Interest
Other
Total Revenues

EXPENDITURES:

Current:

General Government:

General Government
Total General Government

Transportation:

Streets
Total Transportation

Cultural, Parks and Recreation

Parks and Recreation
Total Cultural, Parks and Recreation

Community/Economic Development:

Economic Development
Total Community/Economic Development

Debt Service:

Principal
Interest and Other Charges

Capital Outlay

Total Expenditures

Excess of Revenues Over

(Under) Expenditures

OTHER FINANCING SOURCES (USES):

Operating Transfers In
Operating Transfers Out
Total Other Financing
Sources (Over)

Excess of Revenues and Other Sources Over

(Under) Expenditures and Other Uses

FUND BALANCE, AT BEGINNING OF YEAR

Residual Equity Transfers In
Residual Equity Transfers Out

FUND BALANCE, AT END OF YEAR

Street Scope Fund (Fund 359)		
Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
\$ -	\$ -	\$ -
	(67,714)	
	-	
	-	
\$	(67,714)	

**Exhibit C-3
(Continued)**

Capital Project Funds		
Budget	Actual	Variance Favorable (Unfavorable)
\$ 3,000	\$ 21,229	\$ 18,229
-	7,300	7,300
7,400	41,296	33,896
25,600	54,762	29,162
36,000	124,587	88,587
42,000	-	42,000
42,000	-	42,000
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
54,500	54,410	90
10,000	9,992	8
434,033	149,721	284,312
540,533	214,123	326,410
(504,533)	(89,536)	414,997
530,108	711,832	181,724
-	-	-
530,108	711,832	181,724
\$ 25,575	622,296	\$ 596,721
	-	
	2,183,414	
	-	
	(22,535)	
	\$ 2,783,175	

See accompanying notes to
the basic financial statements

CITY OF CORNING
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
June 30, 2023

Exhibit D-1

	Sewer Enterprise Fund <u>(Fund 610, etc)</u>	Solid Waste Enterprise Fund <u>(Fund 615)</u>	Airport Fund <u>(Fund 620)</u>	Transportation Center Fund <u>(Fund 625)</u>	Water Enterprise Fund <u>(Fund 630, etc)</u>	<u>Total</u>
ASSETS						
Current Assets:						
Cash and Investments	\$ 2,751,042	\$ -	\$ 100,405	\$ 25,407	\$ 975,275	\$ 3,852,129
Accounts Receivable	148,870	2,856	-	1,582	73,415	226,723
Inventories	-	-	-	-	-	-
Lease Receivable	534,823	-	177,456	78,225	-	790,504
Prepaid Assets	-	-	-	-	-	-
Total Current Assets	<u>3,434,735</u>	<u>2,856</u>	<u>277,861</u>	<u>105,214</u>	<u>1,048,690</u>	<u>4,869,356</u>
Capital Assets:						
Land and Construction in Progress	105,274	-	727,814	-	5,000	838,088
Property, Plant and Equipment	16,311,276	-	3,300,089	5,167	7,017,265	26,633,797
Accumulated Depreciation	<u>(12,460,494)</u>	<u>-</u>	<u>(542,524)</u>	<u>-</u>	<u>(3,631,415)</u>	<u>(16,634,433)</u>
Net Capital Assets	<u>3,956,056</u>	<u>-</u>	<u>3,485,379</u>	<u>5,167</u>	<u>3,390,850</u>	<u>10,837,452</u>
Restricted Cash:						
Loan Repayment	-	-	-	-	232,922	232,922
Total Other Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>232,922</u>	<u>232,922</u>
Deferred Outflows of Resource						
Pension Contribution	182,000	-	4,000	2,000	344,000	532,000
Total Assets	<u>\$ 7,572,791</u>	<u>\$ 2,856</u>	<u>\$ 3,767,240</u>	<u>\$ 112,381</u>	<u>\$ 5,016,462</u>	<u>\$ 16,471,730</u>
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 106,791	\$ -	\$ 739	\$ 1,311	\$ 60,672	\$ 169,513
Accrued Wages	1,633	-	-	-	2,916	4,549
Due to other funds	-	6,667	-	-	-	6,667
Interest Payable	56,011	-	-	-	34,597	90,608
Deposits	-	-	-	-	26,180	26,180
Current Portion of Long Term Debt	207,164	-	-	-	127,836	335,000
Total Current Liabilities	<u>371,599</u>	<u>6,667</u>	<u>739</u>	<u>1,311</u>	<u>252,201</u>	<u>632,517</u>
Deferred Inflows of Resources:						
Related to Leases	534,639	-	175,091	75,588	-	785,318
Related to Pensions	24,000	-	1,000	-	46,000	71,000
Total Deferred Inflows of Resources	<u>558,639</u>	<u>-</u>	<u>176,091</u>	<u>75,588</u>	<u>46,000</u>	<u>856,318</u>
Long-Term Liabilities						
Interfund Loan Payable	-	-	-	-	-	-
Accrued Compensation for Future Absen	90,237	-	-	-	90,237	180,474
Net Pension Liability	442,000	-	11,000	4,000	834,000	1,291,000
Certificates of Participation Payable	4,310,000	-	-	-	2,575,000	6,885,000
Loan Acquisition Costs	(178,173)	-	-	-	(110,173)	(288,346)
Less: Current Portion	<u>(207,164)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(127,836)</u>	<u>(335,000)</u>
Total Long-Term Liabilities	<u>4,456,900</u>	<u>-</u>	<u>11,000</u>	<u>4,000</u>	<u>3,261,228</u>	<u>7,733,128</u>
Total Liabilities	<u>5,387,138</u>	<u>6,667</u>	<u>187,830</u>	<u>80,899</u>	<u>3,559,429</u>	<u>9,221,963</u>
NET POSITION						
Investment in capital assets, net	(353,944)	-	3,485,379	5,167	815,850	3,952,452
Reserved for Capital improvement	734,647	-	-	-	685,227	1,419,874
Restricted for debt service	-	-	-	-	230,172	230,172
Unrestricted	1,804,950	(3,811)	94,031	26,315	(274,216)	1,647,269
Total Net Position	<u>\$ 2,185,653</u>	<u>\$ (3,811)</u>	<u>\$ 3,579,410</u>	<u>\$ 31,482</u>	<u>\$ 1,457,033</u>	<u>\$ 7,249,767</u>

See accompanying notes to the basic financial statements.

CITY OF CORNING
ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Year Ended June 30, 2023

Exhibit D-2

	Sewer Enterprise Fund (Fund 610, etc)	Solid Waste Enterprise Fund (Fund 615)	Airport Fund (Fund 620)	Transportation Center Fund (Fund 625)	Water Enterprise Fund (Fund 630, etc)	Total
OPERATING REVENUES:						
Charges for Service	\$ 2,285,075	\$ -	\$ -	\$ -	\$ 1,702,526	\$ 3,987,601
Connection fees	-	-	-	-	650	650
Lease and Rents	10,183	-	7,700	18,900	-	36,783
Other Revenue	94,529	-	56,919	5,500	16,634	173,582
Total Operating Revenues	<u>2,389,787</u>	<u>-</u>	<u>64,619</u>	<u>24,400</u>	<u>1,719,810</u>	<u>4,198,616</u>
OPERATING EXPENSES:						
Salaries and Benefits	334,090	-	5,541	2,836	605,344	947,811
Utilities	137,029	-	4,395	11,169	387,784	540,377
Depreciation	221,415	-	79,014	-	181,966	482,395
Amortization	7,755	-	-	-	4,762	12,517
Other Expenses	1,320,895	-	9,765	9,372	426,074	1,766,106
Total Operating Expenses	<u>2,021,184</u>	<u>-</u>	<u>98,715</u>	<u>23,377</u>	<u>1,605,930</u>	<u>3,749,206</u>
Operating Income (Loss)	<u>368,603</u>	<u>-</u>	<u>(34,096)</u>	<u>1,023</u>	<u>113,880</u>	<u>449,410</u>
NON-OPERATING REVENUE (EXPENSE)						
Investment Earnings	36,082	-	1,210	434	10,947	48,673
Interest Expense	(170,669)	-	-	-	(105,669)	(276,338)
Net Non-Operating Revenues (Expenses)	<u>(134,587)</u>	<u>-</u>	<u>1,210</u>	<u>434</u>	<u>(94,722)</u>	<u>(227,665)</u>
Income Before Transfers	<u>234,016</u>	<u>-</u>	<u>(32,886)</u>	<u>1,457</u>	<u>19,158</u>	<u>221,745</u>
Operating Transfers In	364,645	-	-	-	261,288	625,933
Operating Transfers Out	(364,645)	-	-	-	(261,288)	(625,933)
Changes in net position	<u>234,016</u>	<u>-</u>	<u>(32,886)</u>	<u>1,457</u>	<u>19,158</u>	<u>221,745</u>
NET POSITION, BEGINNING OF YEAR						
As Previously Stated	1,819,061	(3,811)	3,608,634	31,977	1,246,854	6,702,715
Prior period adjustment	132,576	-	3,662	(1,952)	191,021	325,307
As Restated	<u>1,951,637</u>	<u>(3,811)</u>	<u>3,612,296</u>	<u>30,025</u>	<u>1,437,875</u>	<u>7,028,022</u>
Residual Equity Transfers In	-	-	-	-	-	-
Residual Equity Transfers Out	-	-	-	-	-	-
NET POSITION, END OF YEAR	<u>\$ 2,185,653</u>	<u>\$ (3,811)</u>	<u>\$ 3,579,410</u>	<u>\$ 31,482</u>	<u>\$ 1,457,033</u>	<u>\$ 7,249,767</u>

See accompanying notes to the basic financial statements.

CITY OF CORNING
ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year Ended June 30, 2023

Exhibit D-3

	Sewer Enterprise Fund (Fund 610, etc)	Solid Waste Enterprise Fund (Fund 615)	Airport Fund (Fund 620)	Transportation Center Fund (Fund 625)	Water Enterprise Fund (Fund 630, etc)	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Customers	\$ 2,293,346	\$ 1,618	\$ -	\$ -	\$ 1,718,367	\$ 4,013,331
Other Operating Cash Receipts	104,712	-	64,619	23,318	16,634	209,283
Payments to Suppliers	(1,362,841)	-	(14,144)	(20,173)	(836,218)	(2,233,376)
Payments to Employees	53,869	-	(13,707)	(788)	(325,536)	(286,162)
Net Cash Provided (Used) by Operating Activities	<u>1,089,086</u>	<u>1,618</u>	<u>36,768</u>	<u>2,357</u>	<u>573,247</u>	<u>1,703,076</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Transfers from (to) other funds	-	-	-	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Interest Paid	(172,736)	-	-	-	(107,020)	(279,756)
Changes in Long Term Debt	-	-	-	-	(191,021)	(191,021)
Repayment of Certificates of Participation	(155,000)	-	-	-	(180,000)	(335,000)
Repayment of Loan Payable: Mid Valley Bank	-	-	11,000	4,000	-	15,000
Changes in GASB 97 lease balances	(164,712)	-	(4,549)	(9,137)	(13,047)	(191,445)
Payments for capital acquisitions	(488,795)	-	(36,807)	-	(337,414)	(863,016)
Net cash (used for) capital and related financing activities	<u>(981,243)</u>	<u>-</u>	<u>(30,356)</u>	<u>(5,137)</u>	<u>(828,502)</u>	<u>(1,845,238)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:						
Receipts of interest	36,082	-	1,210	434	10,947	48,673
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>143,925</u>	<u>1,618</u>	<u>7,622</u>	<u>(2,346)</u>	<u>(244,308)</u>	<u>(93,489)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,607,117</u>	<u>(8,285)</u>	<u>92,783</u>	<u>27,753</u>	<u>1,452,505</u>	<u>4,171,873</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,751,042</u>	<u>\$ (6,667)</u>	<u>\$ 100,405</u>	<u>\$ 25,407</u>	<u>\$ 1,208,197</u>	<u>\$ 4,078,384</u>
RECONCILIATION OF INCOME (LOSS) FROM OPERATIONS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Net Operating Income (Loss)	\$ 368,603	\$ -	\$ (34,096)	\$ 1,023	\$ 113,880	\$ 449,410
Adjustments to Reconcile Net Income to Net Cash From (Used For) Operating Activities:						
Depreciation and Amortization	229,170	-	79,014	-	186,728	494,912
Pension Adjustments	388,304	-	(8,166)	2,048	280,758	662,944
Decrease (Increase) in Accounts Receivable	8,271	1,618	-	(1,082)	12,950	21,757
Decrease (Increase) in Inventory	-	-	-	-	20,278	20,278
Decrease (Increase) in Prepaid Assets	-	-	-	-	-	-
Increase (Decrease) in Accounts Payable	97,150	-	16	368	(41,287)	56,247
Increase (Decrease) in Wages Payable	(345)	-	-	-	(950)	(1,295)
Increase (Decrease) in Interest Payable	(2,067)	-	-	-	(1,351)	(3,418)
Increase (Decrease) in Deposits	-	-	-	-	2,241	2,241
Net cash from (used for) operating activities	<u>\$ 1,089,086</u>	<u>\$ 1,618</u>	<u>\$ 36,768</u>	<u>\$ 2,357</u>	<u>\$ 573,247</u>	<u>\$ 1,703,076</u>

See accompanying notes to the basic financial statements.

**CITY OF CORNING
EXPENDABLE TRUST FUNDS**

Exhibit E-1

Combining Balance Sheet
June 30, 2023

	J.T. Levy Trust Fund (Fund 401)	Ridell Library Fund (Fund 403)	Totals
ASSETS:			
Cash and investments	\$ 24,632	\$ 225,070	\$ 249,702
Receivables:			
Intergovernmental			
County	-	-	-
Deferred compensation plan assets	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total assets	\$ <u>24,632</u>	\$ <u>225,070</u>	\$ <u>249,702</u>
LIABILITIES AND FUND BALANCE:			
Liabilities:			
Accounts payable	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Total liabilities	<u> </u>	<u> </u>	<u> </u>
Fund Balances:			
Held in trust for:			
Scholarships	24,632	-	24,632
Library System	-	225,070	225,070
Theater	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>24,632</u>	<u>225,070</u>	<u>249,702</u>
Total liabilities and fund balances	\$ <u>24,632</u>	\$ <u>225,070</u>	\$ <u>249,702</u>

See accompanying notes to
the basic financial statements.

CITY OF CORNING
EXPENDABLE TRUST FUNDS
Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Year Ended June 30, 2023

Exhibit E-2

	J.T. Levy Trust Fund (Fund 401)	Ridell Library Fund (Fund 403)	Totals
REVENUES:			
Intergovernmental	\$ -	\$ -	\$ -
Fines and Forfeitures	-	-	-
Interest	<u>352</u>	<u>3,204</u>	<u>3,556</u>
Total Revenues	<u>352</u>	<u>3,204</u>	<u>3,556</u>
EXPENDITURES:			
Scholarships	-	-	-
Capital Outlay	-	-	-
Other	<u>500</u>	<u>684</u>	<u>1,184</u>
Total Expenditures	<u>500</u>	<u>684</u>	<u>1,184</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(148)</u>	<u>2,520</u>	<u>2,372</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	<u>(148)</u>	<u>2,520</u>	<u>2,372</u>
FUND BALANCE, BEGINNING OF YEAR	24,780	222,550	247,330
Residual Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 24,632</u>	<u>\$ 225,070</u>	<u>\$ 249,702</u>

See accompanying notes to
the basic financial statements.

**CITY OF CORNING
EXPENDABLE TRUST FUNDS**

Exhibit E-3

Combining Statement of Revenues, Expenditures
and Changes in Fund Balance
Year Ended June 30, 2023

	<u>Totals</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:			
Intergovernmental	\$ -	\$ -	\$ -
Fines and Forfeitures	-	-	-
Interest	1,250	3,556	2,306
Total Revenues	<u>1,250</u>	<u>3,556</u>	<u>2,306</u>
Scholarships	-	-	-
Capital Outlay	100,000	-	100,000
Other	5,500	500	5,000
Total Expenditures	<u>105,500</u>	<u>500</u>	<u>105,000</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(104,250)</u>	<u>3,056</u>	<u>107,306</u>
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	-	-	-
Operating Transfers Out	-	-	-
Total Other Financing Source (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	<u>\$ (104,250)</u>	<u>3,056</u>	<u>\$ 107,306</u>
FUND BALANCE, BEGINNING OF YEAR		247,330	
FUND BALANCE, END OF YEAR		<u>\$ 250,386</u>	

See accompanying notes to
the basic financial statements.

OTHER REPORTS AND SCHEDULES

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

COMBINING BALANCE SHEET - SEWER ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS - SEWER ENTERPRISE FUNDS

COMBINED BALANCE SHEET - WATER ENTERPRISE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS - WATER ENTERPRISE FUNDS

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Donald R. Reynolds

Certified Public Accountant

INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Mayor and Members of the City Council
City of Corning
Corning, California

I have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Corning, as of and for the year ended June 30, 2023, which collectively comprise the Authority's basic financial statements and have issued my report thereon dated April 25, 2024. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Report on Internal Control Over Financial Reporting

Management of the City of Corning is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing my audit of the financial statements, I considered the City of Corning’s internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Corning’s internal control. Accordingly, I do not express an opinion on the effectiveness of the City of Corning’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

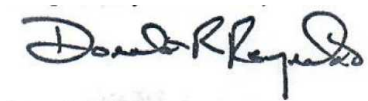
The Honorable Mayor and Members of the City Council
City of Corning
Corning, California

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Corning’s financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Donald R. Reynolds, CPA
Redding, California
April 25, 2024

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